

Code Administrator Consultation Response Proforma**CMP315: TNUoS Review of the expansion constant and the elements of the transmission system charged for and****CMP375: Enduring Expansion Constant & Expansion Factor Review**

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 15 December 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 Andrew Hemus Andrew.Hemus@nationalgrideso.com or cusc.team@nationalgrideso.com

Respondent details	Please enter your details	
Respondent name:	Tom Steward	
Company name:	RWE Offshore	
Email address:	Tom.Steward@RWE.com	
Phone number:	07785 663264	
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:

- 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;*
- 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 CMP315 solution against the Applicable Objectives?	<p>Mark the Objectives which you believe the proposed solution better facilitates:</p> <p>Original <input checked="" type="checkbox"/>A <input checked="" type="checkbox"/>B <input checked="" type="checkbox"/>C <input type="checkbox"/>D <input checked="" type="checkbox"/>E</p> <p>Although we have some reservations about the methods of smoothing leaving historic data in the ECs indefinitely, 315 offers an improvement on the baseline in that it updates the ECs to reflect recent costs of developing the network – as is the intention.</p>
2	Please provide your assessment for the proposed CMP375 solutions against the Applicable Objectives?	<p>Mark the Objectives which you believe the proposed solutions better facilitates:</p> <p>Original <input checked="" type="checkbox"/>A <input checked="" type="checkbox"/>B <input checked="" type="checkbox"/>C <input type="checkbox"/>D <input checked="" type="checkbox"/>E</p> <p>WACM2 <input type="checkbox"/>A <input type="checkbox"/>B <input type="checkbox"/>C <input type="checkbox"/>D <input type="checkbox"/>E</p> <p>Although we have some reservations about the methods of smoothing leaving historic data in the ECs indefinitely, 375 offers an improvement on the baseline in that it updates the ECs to reflect recent costs of developing the network – as is the intention. WACM2 however uses the business plan as an input, which it's acknowledged misses potentially significant amounts of TO expenditure delivered through the reopeners, and also potentially includes investments which do not ever get made. It can therefore not be said to be cost reflective, nor supportive of competition, nor take proper account of the developments of the TO businesses.</p>

3	Do you have a preferred proposed solution?	<input checked="" type="checkbox"/> CMP315 Original <input type="checkbox"/> CMP375 Original <input type="checkbox"/> WACM2 <input type="checkbox"/> Baseline <input type="checkbox"/> No preference We believe that the inclusion of substation costs makes this more cost reflective, and therefore better meets the code objectives than either CMP375 original or WACM2.
4	Do you support the proposed implementation approach?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.
5	Do you have any other comments?	We believe clear and transparent discussion of the drivers behind infrastructure cost changes behind the expansion constants is essential to allow users to understand the possible future direction of travel of charges. We would welcome ESO publishing as much information as possible, and bringing them to TCMF for discussion.