

Final Modification Report

CMP397: Consequential changes required to CUSC Exhibits B&D to reflect CMP316 (Co- located Generation Sites)

Overview: CMP316 makes changes to Section 14 of the CUSC. CMP397 facilitates CMP316 and proposes consequential changes to CUSC Exhibits B & D

Modification process & timetable



Have 5 minutes? Read our [Executive summary](#)
Have 20 minutes? Read the full [Final Modification Report](#)
Have 30 minutes? Read the full Final Modification Report and Annexes.

Status summary: This report has been submitted to the Authority for them to decide whether this change should happen.

Panel recommendation: The Panel has recommended unanimously that the Proposer’s solution is implemented.

This modification is expected to have a: **Low impact** to Co-located Generators and ESO

Governance route	Standard Governance modification Authority to Determine	
Who can I talk to about the change?	Proposer: Martin Cahill Martin.cahill@nationalgrideso.com	Code Administrator Contact: Deborah Spencer Deborah.spencer@nationalgrideso.com

Contents

Contents 2

Executive summary 3

What is the issue? 4

 Why change? 4

What is the solution?..... 4

 Proposer’s solution..... 4

 Legal text..... 4

What is the impact of this change?..... 4

 Proposer’s assessment against the Applicable Objectives 4

 Proposer’s assessment against CUSC Non-Charging Objectives 4

 Code Administrator consultation summary 5

 Panel recommendation vote..... 5

 Panel conclusion..... 7

When will this change take place? 7

 Implementation date 8

 Date decision required by 8

 Implementation approach 8

Interactions..... 8

Acronyms, key terms and reference material..... 8

 Reference material 8

Annexes..... 8

Executive summary

CMP316 makes changes to Section 14 of the CUSC. CMP397 facilitates CMP316 and proposes consequential changes to CUSC Exhibits B & D.

What is the issue?

CMP316 was raised by the ESO on 16 April 2019 to change Section 14 of the CUSC to update the TNUoS charging methodology for co-located generation sites. To facilitate and ensure consistency with the changes proposed by the CMP316 solution, consequential changes to CUSC Exhibits B & D are also required with the changes proposed by CMP316 solution.

What is the solution and when will it come into effect?

Proposer's solution:

In the Proposer's view CMP316 seeks to add a new formula, within Section 14 of the CUSC to the TNUoS methodology to calculate wider locational charges proportionally by technology type to the Power Station's Transmission Entry Capacity (TEC) using Maximum Capacity (as defined in the Grid Code) for each technology type Balancing Mechanism Unit (BMU) – the aim being to further improve cost reflectivity in charges.

Should CMP316 be approved, the Proposer has raised CMP397 to address the necessary changes, (outside of Section 14 of the CUSC), by requiring a change to the information to be collected (Maximum Capacity by technology/BMU) through the Connection process. Therefore, CMP397 proposes that the request for provision of Maximum Capacity by technology type to be included within CUSC Exhibit B and CUSC Exhibit D.

Implementation date:

1 April 2025 – this will only be implemented if CMP316 is approved.

Panel recommendation:

The Panel has recommended unanimously that the Proposer's solution is implemented .

What is the impact if this change is made?

In the Proposer's view implementation of CMP316, and subsequently CMP397, solution is expected to remove perceived distortions in TNUoS charging for generators and so help facilitate competition in the generation sector.

It is the Proposer's view that CMP316 and CMP397 will ensure multi-fuel sites are charged more cost-reflectively, based on their fuel/technology type and network usage; they will be charged consistently with the principles underpinning generator TNUoS charging. The number of multi-fuel sites is expected to increase and accounting for this in Section 14 and Exhibits ensures the network charging methodology reflects developments in the wider industry. It is the Proposer's view the solution removes ambiguity in charging for co-located sites and clarifies the charging methodology within the CUSC

Interactions

It is understood that this modification does not have any interaction with other codes.

What is the issue?

CMP316 was raised by the ESO on 16 April 2019 to change Section 14 of the CUSC to update the TNUoS charging methodology for co-located generation sites. To facilitate and ensure consistency with the changes proposed by the CMP316 solution, consequential changes to CUSC Exhibits B & D are also required with the changes proposed by CMP316 solution.

Why change?

CMP397 modification has been raised to ensure the required changes to the CUSC Exhibits B & D are made, should CMP316 be approved by the Authority.

What is the solution?

Proposer’s solution

In the Proposer’s view CMP316 seeks to add a new formula, within Section 14 of the CUSC to the TNUoS methodology to calculate wider locational charges proportionally by technology type to the Power Station’s Transmission Entry Capacity (TEC) using Maximum Capacity (as defined in the Grid Code) for each technology type Balancing Mechanism Unit (BMU) – the aim being to further improve cost reflectivity in charges.

Should CMP316 be approved, the Proposer has raised CMP397 to address the necessary changes, (outside of Section 14 of the CUSC), by requiring a change to the information to be collected (Maximum Capacity by technology/BMU) through the Connection process. Therefore, CMP397 proposes that the request for provision of Maximum Capacity by technology type to be included within CUSC Exhibit B and CUSC Exhibit D.

Legal text

The legal text for this change can be found in Annex 2.

What is the impact of this change?

Proposer’s assessment against the Applicable Objectives

Proposer’s assessment against CUSC Non-Charging Objectives	
Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	Neutral
(b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;	Positive Implementation of CMP316, and subsequently CMP397, solution is expected to remove perceived distortions in TNUoS charging for generators and so help facilitate competition in the generation sector. CMP316 and CMP397 will ensure multi-fuel sites are charged more cost-reflectively, based on their

	fuel/technology type and network usage; they will be charged consistently with the principles underpinning generator TNUoS charging. The number of multi-fuel sites is expected to increase and accounting for this in Section 14 and Exhibits ensures the network charging methodology reflects developments in the wider industry. The solution removes ambiguity in charging for co-located sites and clarifies the charging methodology within the CUSC
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	Neutral
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive As (b)
*The Electricity Regulation referred to in objective (c) 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.	

Code Administrator Consultation Summary

The Code Administrator Consultation was issued on the 04 October 2022 and closed on 01 November 2022 and did not receive any responses.

The First Draft Final Modification Report

The First Draft Final Modification Report was presented to November 2022 CUSC Panel for Panel recommendation vote alongside the CMP316 First Draft Final Modification Report. As Panel Members asked for the CMP316 Workgroup to be re-formed ahead of completing the Panel recommendation vote.

Given its interaction with CMP316, it was agreed that the CMP397 recommendation vote would also be delayed until the CMP316 Second Draft Final Modification Report was submitted to the CUSC Panel.

Panel recommendation vote

The Panel meet on the 31 May 2024 to carry out their recommendation vote. They assessed whether a change should be made to the CUSC by assessing the proposed change and any alternatives against the Applicable Objectives.

Vote 1: Does the Original facilitate the objectives better than the Baseline?

Panel Member: **Andrew Enzor – Users Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Neutral	Neutral	Yes	Yes

Voting Statement					
If CMP316 were implemented, CMP397 would be beneficial against ACO(d) as it would enable the CMP316 solution to be implemented by ensuring sufficient data is gathered from Users through the connections process.					

Panel Member: **Andy Pace – Consumers’ Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Yes	Neutral	Neutral	Yes

Voting Statement					
This mod is a consequential change required to support CMP316. We assess it as better meeting applicable objective (b) by facilitating effective competition in the generation and supply of electricity and necessary to implement CMP316.					

Panel Member: **Binoy Dharsi – Users Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Yes	Neutral	Yes	Yes

Voting Statement					
This modification is required to ensure that should CMP316 is approved, then the necessary amendments to the CUSC (Exhibits B & D) are updated accordingly.					

Panel Member: **Christian Parsons – ESO Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Yes	Yes	Yes	Neutral	Yes

Voting Statement					
This modification is required as part of implementation of CMP316, therefore it has been scored the same against applicable objectives as CMP316.					

Panel Member: **Garth Graham - Users Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Yes	Neutral	Yes	Yes

Voting Statement					
No statement provided.					

Panel Member: **Joe Colebrook - Users Panel Member**

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Yes	Neutral	Neutral	Yes

Voting Statement					
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I am happy the solution will sufficiently update Exhibits B and D to facilitate CMP316 and therefore I agree with this proposal.

Panel Member: Joseph Dunn – Users Panel Member

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Yes	Yes	Neutral	Neutral	Yes
Voting Statement					
As per 316 and to enable implementation if approved.					

Panel Member: Kyran Hanks – Users Panel Member

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Neutral	Yes	Neutral	Yes	Yes
Voting Statement					
Since CMP316 delivers greater cost reflectivity and increases competition between generators, and should increase incentives for renewable generation, CMP397, as the enabling modification, satisfies the relevant objectives.					

Panel Member: Paul Jones – Users Panel Member

	Better facilitates AO (a)?	Better facilitates AO (b)?	Better facilitates AO (c)?	Better facilitates AO (d)?	Overall (Y/N)
Original	Yes	Neutral	Neutral	Yes	Yes
Voting Statement					
Facilitates implementation of CMP316.					

Vote 2 – Which option best meets the Applicable CUSC Objectives?

Panel Member	BEST Option?	Which objectives does this option better facilitate? (If baseline not applicable).
Andrew Enzor	Original	d)
Andy Pace	Original	b)
Binoy Dharsi	Original	b) and d)
Christian Parsons	Original	a),b) and c)
Garth Graham	Original	b) and d)
Joe Colebrook	Original	a)
Joseph Dunn	Original	a) and c)
Kyran Hanks	Original	a) and d)
Paul Jones	Original	a) and d)

Panel conclusion

The Panel has recommended unanimously that the Proposer’s solution is implemented.

When will this change take place?

Implementation date

1 April 2025 – CMP397 will only be implemented if CMP316 is approved.

Date decision required by

By 30 September 2024 to align with the requested decision date for CMP316.

Implementation approach

Connection process requires additional information from the provider as shown in CUSC Exhibits B & D – CMP397 will only be implemented if CMP316 is approved.

Interactions

- Grid Code
- BSC
- STC
- SQSS
- European Network Codes
- EBR Article 18 T&Cs¹
- Other modifications
- Other

It is understood that this modification does not have any interaction with other codes.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BCA	Bilateral Connection Agreement
BEGA	Bilateral Embedded Generation Agreement
BMU	Balancing Mechanism Unit
BSC	Balancing and Settlement Code
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBR	Electricity Balancing Regulation
ESO	Electricity System Operator
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions
TNUoS	Transmission Network Use of System

Reference material

- None

Annexes

Annex	Information
Annex 1	Proposal form
Annex 2	Legal Text

¹ If the modification has an impact on Article 18 T&Cs, it will need to follow the process set out in Article 18 of the European Electricity Balancing Guideline (EBGL – EU Regulation 2017/2195) – the main aspect of this is that the modification will need to be consulted on for 1 month in the Code Administrator Consultation phase. N.B. This will also satisfy the requirements of the NCER process.