

# CMP283: Consequential Interconnector Cap and Floor Arrangements Panel Recommendation Vote



**Heena Chauhan**

29 September 2017

## Need for Change

---

- Changes were made to interconnector licences in 2016 to include conditions relating to the new regime.
- These changes detail need for ICs to provide data to the SO but not specific processes or dates.
- There is currently **no procedure** for data provision related to the cap and floor regime or IFA 'Use of Revenue' framework.
- This mod proposal aims to give practical effect to these changes.
  - Provides a process and dates for ICs to follow.
  - Data provided will feed into tariff forecasts.

## Solution

---

- Proposal is to add this process into **Section 9 of the CUSC.**
- Current process for data provision for TOs is detailed in the STC.
  - Interconnectors are not signatories of the STC.
  - Purpose of the STC is to govern the GB system and its components
  - Purpose of the CUSC is to govern connections to the GB System.
- Aligning with the STC where applicable to replicate the effect of what the SO requires from Scottish TOs and OFTOs, ensures consistency.

## Code Administration Consultation

---

- Four responses were received to the Code Administrator Consultation.
- Overall all respondents agreed that the proposal better facilitates the applicable CUSC objectives although some respondents noted that the implementation approach could be more efficient.

## National Grid View

---

- The purpose of this modification is to ensure that changes made to the standard interconnector license, NGET and IFA licences can be implemented. It provides a process for data provision which is line (where applicable) with current processes for transmission operators, which ensures data feeds in to the TNUoS process in a consistent and transparent way. National Grid believe this modification better facilitates the CUSC objectives and should be implemented as soon as possible to allow the benefits of the Cap and Floor regime to be realised.

## Questions before Panel Vote?



# Panel Recommendation Vote – CUSC Applicable Objectives

---

- (a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;
- (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;
- (c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency; and;
- (d) Promoting efficiency in the implementation and administration of the CUSC arrangements under Standard Condition C10, paragraph 1.).

## Proposed Timetable

---

CUSC Panel Recommendation vote	29 September 2017
Issue Final CUSC Modification report to the Authority	6 October 2017
Authority Decision	10 November 2017
Decision implemented in CUSC	15 November 2017