









Stage 04 Code Administrator Consultation	At what stage is this document in the process?								
<p>CMP297: Aligning CUSC and BSC post-TERRE (Section 11) – consequential modification to introduce definition of Virtual Lead Party</p>	<table border="1"> <tr> <td data-bbox="1145 331 1222 409">01</td> <td data-bbox="1222 331 1441 409">Initial Written Assessment</td> </tr> <tr> <td data-bbox="1145 409 1222 510">02</td> <td data-bbox="1222 409 1441 510">Code Administrator Consultation</td> </tr> <tr> <td data-bbox="1145 510 1222 589">03</td> <td data-bbox="1222 510 1441 589">Draft CUSC Modification</td> </tr> <tr> <td data-bbox="1145 589 1222 667">04</td> <td data-bbox="1222 589 1441 667">Final CUSC Modification</td> </tr> </table>	01	Initial Written Assessment	02	Code Administrator Consultation	03	Draft CUSC Modification	04	Final CUSC Modification
01	Initial Written Assessment								
02	Code Administrator Consultation								
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04	Final CUSC Modification								
<p>Purpose of Modification: The Company has raised a CMP to alter Section 14 of the CUSC such that the extant BSUoS exemption which applies to Interconnector BMUs can be expanded to cover Virtual Lead Parties. This consequential CMP seeks to amend Section 11 to introduce a definition of ‘Virtual Lead Party’</p>									
	<p>The purpose of this document is to consult on CMP297 with CUSC Parties and other interested industry members. Parties are requested to respond by 5pm on 13 June 2018 to cusc.team@nationalgrid.com using the Code Administrator Consultation Response Pro-forma which can be found via the following link:</p> <p>https://www.nationalgrid.com/uk/electricity/codes/connection-and-use-system-code/modifications/aligning-cusc-and-bsc-post-terre</p> <p>Published on: 22 May 2018</p> <p>Length of Consultation: 15 Working Days</p> <p>Responses by: 13 June 2018</p>								
	<p>Low Impact: BSUoS chargeable parties</p>								
	<p>The Panel concludes:</p> <p>The CUSC Panel agreed that this modification should proceed to Code Administrator Consultation Stage</p>								

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Timetable			
The Code Administrator recommends the following timetable:			
Proposal presented to Panel	27 April 2018		
Code Administration Consultation Report issued to the Industry (15WDs)	22 May 2018		
Draft Final Modification Report presented to Panel	21 June 2018		
Modification Panel decision	29 June 2018		
Final Modification Report issued to Authority (25 WD)	04 July 2018		
Indicative Decision Date	08 August 2018		
Decision implemented in CUSC (2WD after determination)	01 April 2019		

1 About this document

CMP297 was proposed by National Grid and was submitted to the CUSC Modifications Panel for its consideration on 27 April 2018. The Panel decided to send the Proposal to Code Administrator Consultation.

CMP297 aims to alter Section 14 of the CUSC such that the extant BSUoS exemption which applies to Interconnector BMUs can be expanded to cover Virtual Lead Parties. seeks to amend Section 11 to introduce a definition of 'Virtual Lead Party'

2 Original Proposal

Defect

The CUSC does not currently recognise Virtual Lead Parties and should be updated in Section 11 to do so, in order to facilitate delivery of the CMP raised by The Company which seeks to exclude Virtual Lead Parties from BSUoS liabilities (“the Charging CMP”, for ease of reference).

The rationale for such exclusion is outlined in CMP296.

What

Section 11 of the CUSC should be updated to include a definition of ‘Virtual Lead Party’

Why

BSC P344 and GC0097 will enable Virtual Lead Parties to participate as BMUs – the CUSC currently does not recognise Virtual Lead Parties as a category of Market Participant

How

Update Section 11 only, to state that Virtual Lead Party is defined within the Balancing and Settlement Code.

3 Proposer’s solution

It is suggested that the following is inserted into Section 11 of the CUSC:

‘**Virtual Lead Party** – as defined in the **Balancing and Settlement Code**’.

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No, although it is resultant of Project TERRE

Consumer Impacts

Per the CMP296

4 CMP297: Relevant Objectives

Impact of the modification on the Applicable CUSC Objectives (Standard):

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	None
(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 – recognises the new Market Participant, thereby enabling the exemption from BSUoS liability
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	Positive – required to implement Project TERRE appropriately
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive – enables Section 14 to be updated without creating an undefined term within CUSC

*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

5 Implementation

It is recommended that this is implemented on 1 April 2019.

6 Code Administrator Consultation: how to respond

If you wish to respond to this Code Administrator Consultation, please use the response pro-forma which can be found under the 'Industry Consultation' tab via the following link;

<https://www.nationalgrid.com/uk/electricity/codes/connection-and-use-system-code/modifications/aligning-cusc-and-bsc-post-terre>

Responses are invited to the following questions;

1. Do you believe CMP297 better facilitates the Applicable CUSC Objectives? Please include your reasoning.

2 Do you support the proposed implementation approach?

3. Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by **5pm on 13 June 2018**. Please email your formal response to: CUSC.team@nationalgrid.com

If you wish to submit a confidential response, please note the following;

Information provided in response to this consultation will be published on National Grid's website unless the response is clearly marked 'Private & Confidential', we will contact you to establish the extent of this confidentiality. A response marked 'Private & Confidential' will be disclosed to the Authority in full by, unless agreed otherwise, will not be shared with the CUSC Modifications Panel or the industry and may therefore not influence the debate to the same extent as a non-confidential response.

Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked 'Private & Confidential'

7 Legal Text

Text Commentary

As outlined in 'Solution' – insert Virtual Lead Party into Section 11 and confirm that it is defined within the BSC.

'Virtual Lead Party as defined in the Balancing and Settlement Code '

Annex 1: CMP297 Terms of Reference

[CMP297 - Terms of Reference.pdf](#)