

CMP339: Consequential changes for CMP317/327 (TCR)

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Purpose of Modification: To allow the appropriate development of the CMP317/327 Modification Proposal, alternatives may be required. This Modification Proposal will allow the CMP317/327 Workgroup to develop the appropriate definitions needed for the Original and any alternative Proposals and any other changes outside of Section 14 as appropriate.



This Final Modification Report has been prepared in accordance with the terms of CMP339. An electronic version of this document and all other CMP339 related documentation can be found on the National Grid ESO website via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp339>

The purpose of this document is to assist the Authority in making its determination on whether to implement CMP339.



Low Impact: All CUSC Users as this will amend Sections other than Section 14 for the purposes of CMP317/327.



The Workgroup concluded:

- The Workgroup concluded by majority that no option was best as the solutions fit the CMP317/327 solution selected by the Authority, with other workgroup members selecting options which reflected their choice best option for CMP317/327.

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Timetable		
The Code Administrator recommends the following timetable:		
Workgroup Report presented to Panel	26 June 2020	
Code Administrator Consultation issued to the Industry	30 June 2020	
Draft Final Modification Report presented to Panel	23 July 2020	
Modification Panel decision	31 July 2020	
Final Modification Report issued to Authority	13 August 2020	
Decision implemented in CUSC	1 April 2021	

1 About this document

This document is the Final Modification Report that contains the discussion of the Workgroup which formed in April 2020 to develop and assess the CMP339 proposal. This document contains a summary of the workgroup consultation which closed on 04 June 2020, the voting of the Workgroup held on 16 June 2020 and the Workgroup's final conclusions.

Section 2 (Original Proposal) and Section 3 (Proposer's solution) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup. Section 4 of the Workgroup Report contains the discussion by the Workgroup on the Proposal and the potential solution. Section 5 details the outcome of the Workgroup consultation. Section 6 details the workgroup's voting on CMP339.

The CUSC Panel detailed in the Terms of Reference the scope of work for the CMP339 Workgroup and the specific areas that the Workgroup should consider. The CUSC Panel met on 26 June 2020 and agreed that these terms of reference had been met.

Workgroup Conclusions

At the final Workgroup meeting, Workgroup members voted on the Original proposal and WACMs.

The Workgroup concluded by majority that no option was best as the solutions fit the CMP317/327 solution selected by the Authority, with other workgroup members selecting options which reflected their choice best option for CMP317/327.

Code Administrator Consultation Responses

1 response was received to the Code Administrator Consultation. A summary of the responses can be found in Section 10 of this document. The full responses can be located in Annex 5.

The only response was from the Proposer.

Panel Views

At the CUSC Panel meeting on 31 July 2020 the Panel voted on CMP339 against the Applicable CUSC Standard Objectives.

The CUSC Panel recommended by majority that the Original and all WACMs 1- 23 better facilitated the CUSC Objectives than the Baseline.

This Final Modification Report has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid ESO's Website at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp339>

Terms of Reference

The table below details these specific areas and which the Workgroup have covered. The full Terms of Reference can be found in Annex 1.

Table 1: CMP339 Terms of Reference

Specific Area	Location in the report
Consider the Authority's TCR SCR Direction to the Company and any associated implications for this Modification.	Section 4
Consider interactions with the DCUSA and BSC Modifications ensuring alignment on definitions.	Section 4

2 Original Proposal

Section 2 (Original Proposal) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup. Section 4 of the Workgroup contains the discussion by the Workgroup on the Proposal and the potential solution.

Defect

For the ESO to fulfil the requirements of Ofgem's TCR Direction (The Direction) other Sections of the CUSC may require further update to allow CUSC Modification Proposals CMP317/CMP327 to appropriately define the Original Proposal and any Workgroup Alternative CUSC Modification Proposals.

What

The Proposer considers that at the least changes will be required to Section 11 to allow the inclusion of new or amended definitions; however, further changes may be necessary depending upon the scope of changes considered by the CMP317/327 Workgroup.

Why

Under current CUSC governance separate proposals are required to be raised to alter Section 14 and other sections of the CUSC. This proposal will allow Sections of the CUSC other than Section 14 to be amended to support the development of CMP317/327.

How

Alter and add, at the least, defined terms to Section 11 as necessary for the development of CMP317/CMP327.

3 Proposer's solution

Section 3 (Proposer's solution) are sourced directly from the Proposer and any statements or assertions have not been altered or substantiated/supported or refuted by the Workgroup.

Amend the CUSC where necessary to support the Original Proposal and any Workgroup Alternative CUSC Modification Proposals as raised by the CMP317/327 Workgroup.

The definitions required for the CMP317 Original and WACM1 are:

(Required for All Solutions of CMP317 and CMP327)

Term	Definition
Limiting Regulation	European Commission Regulation 838/2010 part B (or any subsequent regulation applicable in UK law specifying such a limit on annual average transmission charges payable by Generators).
Adjustment Revenue	A positive or negative adjustment to overall Generator charges to ensure compliance with the Limiting Regulation.
Adjustment Tariff	The tariff that applies Adjustment Revenue equally to generators to ensure compliance with the Limiting Regulation.
Ex-Post Reconciliation	The charge or credit to Demand and Generator Users in the event of a breach of the Limiting Regulation.

and;

Term	Definition
Charges for Assets Required for Connection	Connection Charges, Onshore Local Circuit, Onshore Local Substation, Offshore Local Circuit and Offshore Local Substation for the purposes of assessing compliance with the Limiting Regulation.

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

This Modification Proposal supports the Direction given to the ESO to implement the conclusions of Ofgem's Targeted Charging Review

Consumer Impacts

None, other than those of CMP317/327

4 Workgroup Discussions

The Workgroup convened 1 time in April 2020 to discuss the perceived issue, detail the scope of the proposed defect, devise potential solutions and assess the proposal in terms of the Applicable CUSC Objectives. The Workgroup will in due course conclude these tasks after this consultation (taking account of responses to this consultation).

1.0 Context of CMP317 and CMP327

CMP317 and CMP327 at the time of publication, are currently at Workgroup Group stage, post Workgroup Consultation. If you wish to familiarise yourself with the consultation which was published in February 2020, it can be found [here](#), and the consultation responses can be found [here](#).

Context of CMP317

Why has this modification been raised?

1.1 The ESO raised CMP317 in June 2019 because its TNUoS forecasts indicated that it would not be in compliance with the Limiting Regulation for the charging year 2021/22 unless it changed the charging formula in the CUSC. The Limiting Regulation requires that the average annual transmission charge for all generators must be within a range of €0-2.50/MWh in Great Britain.

1.2 In July 2016, Ofgem approved the implementation of CMP224 '*Cap on the Total amount of TNUoS to be recovered from Generation users*'¹. At the time of approving CMP224, there were 2 interpretations for assets required for connection, with the physical assets required for connection considered to be GB "connection charges" only. At that time, Ofgem did not provide a concluded interpretation of the Limiting Regulation. This led to ambiguity in regard to whether the range was breached or not.

1.3 In charging year 2015/16, it was alleged that the ESO had breached the upper value of the Limiting Range, which, if true, would have resulted in an over recovery from Generators of £120m. CUSC modification CMP261 ('Ensuring the TNUoS paid by Generators in GB in Charging Year 2015/16 is in compliance with the €2.5/MWh annual average limit set in EU Regulation 838/2010 Part B (3)') was raised by SSE Plc, to remedy

¹ <https://www.nationalgrideso.com/document/6946/download> - Ofgem decision on CMP224

this alleged breach. The solutions raised during the Workgroup process for CMP261 concentrated on rebates to generators, for varying amounts and for the alleged overpayment to be returned to those impacted in varying timescales.

1.4 Ofgem decided² to reject CMP261 on the grounds that the range of the annual transmission charge for all generators was not breached during this time period. Ofgem concluded “*connection charges*”, as defined by the CUSC, clearly fall within the scope of the connection exclusion in the Regulation. In addition, we take the view that, properly construed, the connection exclusion also covers most, if not all, local charges that pay for local assets required to connect the generator to the MITS. This is on the basis that the latter also amount to “charges paid by producers for physical assets required for connection to the system” within the meaning of the Regulation³.

1.5 The CMP261 decision that Ofgem reached was subject to an appeal to the Competition and Markets Authority (CMA) brought about by the proposer of CMP261, and EDF Energy. In February 2018, the CMA upheld Ofgem’s initial decision. The CMA’s decision created the need for an explicit definition of Charges paid by producers for physical assets required for connection to the system (referenced to throughout this document as ‘excluded Charges’) for the purposes of applying the Limiting Regulation.

Context of CMP327

1.6 CMP327 was raised as a result of The Authority’s final decision on the Targeted Charging Review SCR in November 2019⁴. In that decision, The Authority directed The Company to raise a modification to change TNUoS Charging Methodology such that the Residual element of Generator TNUoS is £0 and ensure that the correct interpretation of 838/2010 is incorporated.

1.7 CMP327 was raised at the CUSC Panel in November 2019. It was decided by the CUSC Panel to apply to have CMP327 amalgamated with CMP317, due to the two modifications dealing with extremely similar subject matter. When the ESO raised the CMP327 modification, it made it clear that it felt that that modification should be assessed by the same Workgroup which had been assessing CMP317, and had by this stage held six Workgroup meetings. This was due to that fact that some of the work required under CMP327 would have already been undertaken by the CMP317 Workgroup. As such, work on CMP327 began with the same Workgroup, with new Workgroup members also afforded the opportunity to join the Workgroup to assess CMP327.

² Ofgem decision letter on CMP261, July 2017 -

<https://www.nationalgrideso.com/document/98011/download>

³ Ibid, p1.

⁴ Ofgem final decision and impact assessment – Targeted Charging Review:

https://www.ofgem.gov.uk/system/files/docs/2019/12/full_decision_doc_updated.pdf

1.8 Ofgem decided to grant the CUSC Panel's request on 29 January 2019, stating that they had "come to the conclusion that the Proposals are sufficiently proximate to justify amalgamation on the grounds of efficiency and are logically dependent on each other"⁵.

2.0 Consideration of TCR SCR Authority Decision

2.1 The workgroup considered the Authority's TCR and SCR decision and impact assessment issued in November 2019⁶. CMP327 was raised as a result of this decision. The workgroup acknowledged that the changes brought about by the CMP339 original solution are required in order to support the modifications raised at the direction of Ofgem.

3.0 Consideration of impacts on BSC and DCUSA definitions

3.1 The workgroup recognise that modifications are underway in the Balancing and Settlement Code, and the Distribution Connection Use of System Agreement to fulfil The Authority's direction outlined in their TCR SCR decision.

3.2 The workgroup considered whether they had to consider DCUSA definitions of generator/producer under the Terms of Reference. The workgroups assumption is that definitions within the DCUSA and the BSC are not required.

3.3 Throughout CMP317/327 discussion, there has been much debate as to whether BSC costs, and Congestion Management Costs, are to be included in calculation of average generation transmission charges, under the Limiting Regulation (838/2010). This debate came about in response to Ofgem's decision on BSC modification, P396⁷, which indicated that Elexon's administrative costs should come under the calculation charges. The proposer highlighted that definition of Congestion Management around BSUoS, if needed would only be implemented as a definition in Section 11 of the CUSC, and that the same would apply to BSC charges if they were to be included within the range of the Limiting Regulation.

3.3 The workgroup raised a practical question around the relevance of definitions cross code. The proposer highlighted that as CMP339 a CUSC only change, it doesn't rely on definitions in the BSC or the DCUSA. It was considered that although some of the assets required for connection go via DNO assets, this would not be relevant for developing definitions, as this had been resolved in CMP317/CMP327 discussion.

3.4 The workgroup recognised that any definitions raised are cross referenced with other codes to avoid any duplication or misunderstanding.

3.6 Embedded generation and whether there could be crossover with the DCUSA definitions was also discussed. The proposer stated that it was his understanding that

⁵ Ofgem Letter to CUSC Panel, granting permission for the modifications to be amalgamated - <https://www.nationalgrideso.com/document/162076/download>.

⁶ https://www.ofgem.gov.uk/system/files/docs/2019/12/full_decision_doc_updated.pdf

⁷ Ofgem Final Decision on P396 - <https://www.elexon.co.uk/wp-content/uploads/2020/03/P396-Authority-Decision-Letter.pdf>

anyone who pays TNUoS are captured in the average annual charges for generation, including users who hold a BEGA, and that this was already clear in CUSC Section 14.

3.7 The workgroup considers the terms “generators” and “producers” to be the equivalent for the purposes of this modification. Some workgroup members expressed that the definition of generators/produces under the Limiting Regulation may be different in other codes. The proposer highlighted that the Limiting Regulation talks about transmission charges from producers. The workgroup were made aware that during the CMA appeal on CMP261, that generator and producer meaning the same were agreed as common ground.

4.0 CMP317 and CMP327 alternatives and associated definitions

4.1 CMP317 and CMP327 resulted in a total of 84 separate solutions, with the original solution and 83 Workgroup Alternative CUSC modifications. Due to the large number of solutions, each separate solution will require a different permutation of the definitions based on which modular aspect the solution needed. These modular solutions are discussed throughout the CMP317 and CMP327 workgroup report⁸.

4.2 Some of the definitions required will need to be implemented into the CUSC, regardless of which solution is selected. These are:

Term	Definition
Limiting Regulation	European Commission Regulation 838/2010 in the context of setting limits on annual average transmission charges payable by Generators (or any subsequent UK law specifying such limits).
Adjustment Revenue	A positive or negative adjustment to overall Generator TNUoS charges to ensure compliance with the Limiting Regulation.
Adjustment Tariff	The non locational £/kW tariff that applies Adjustment Revenue to Generators liable for TNUoS charges to ensure compliance with the Limiting Regulation.
Ex-Post Reconciliation	The charge or credit to Demand and Generator Users in respect of TNUoS charges in the event of a breach of the Limiting Regulation.

4.3 For any solutions which include the definition of assets required for connection as “All Local Circuits and Substation charges” (namely the CMP317/327 Original and WACM1-6, 21-27, 42-48, 62-69), the following definition will also be required in addition to the aforementioned definitions outlined in 4.2.

Term	Definition
Charges for Physical Assets Required for Connection	Connection Charges and charges in respect of an Onshore local circuit, Onshore local substation, Offshore local circuit and Offshore local substation

4.4 For solutions that contain a Generator only Spurs module, namely WACMs 7-13, 28-34, 49-55, 70-76, the following definitions will be required:

Term	Definition
Charges for Physical Assets Required for Connection	Connection Charges and charges in respect of an Onshore local circuit and Onshore local substation, where they form part of an Onshore Generator Only Spur and charges in respect of an Offshore local circuit and Offshore local substation where they form part of an Offshore Generator Only Spur.
Offshore Generator Only Spurs	These consist of (a) an Offshore substation (the Offshore local substation) where that sub-station is not shared with demand or another Generator; and (b) cable(s), (where those cable(s) are not shared with demand or another Generator) which run from the Offshore local substation to an Onshore substation
Onshore Generator Only Spurs:	These consist of (a) an Onshore substation (the Onshore local substation) where that sub-station is not shared with demand or another Generator; and (b) underground cable(s), or overhead line(s) (that are not shared with demand or another Generator), which run from the Onshore local substation to an Onshore substation.

4.5 For any solutions which define a pre-existing and shared system element, namely WACMs 14-20, 35-41, 56-62, 77-83, the following definitions will be required.

Term	Definition
Charges for Physical Assets Required for Connection	Connection Charges and charges in respect of an Onshore local circuit, Onshore local Substation, Offshore local circuit and Offshore local substation except for those charges that are for Shared Assets or Pre-Existing Assets
Pre-Existing Assets	in respect of a Generator Onshore local circuit and/or Onshore local substation and/or Offshore local circuit and/or Offshore local substations that existed prior to the connection of that Generator to the NETS.
Shared Assets	An Onshore local circuit and/or Onshore local substation and/or Offshore local circuit and/or Offshore local substation that are or could be used without the need for new assets or could be used just by switching, by either (i) more than one Generator or (ii)

	a single Generator and demand that is not Station Demand for that Generator
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4.6 For any solutions which require a target within the range of the limiting regulation namely CMP317/327 WACM2-6, 9-13, 16-20, 23-27, 30-34, 37-41, 44-48, 51-55, 58-62, 65-69, 72-76, 79-83 the following definition will also be required.

Term	Definition
Target Rate for recovery from Generators	The targeted value to be collected from Generators for the purpose of setting TNUoS tariffs expressed in €/MWh

4.7 For solutions which include a Relevant BSC charges element, namely WACMS21-41 and 63-83, the following definitions will be required.

Term	Definition
Relevant BSC Charges	The sum of the main funding share element of the Annual BSC Charges forecast to be paid by Transmission connected Generators in the relevant Charging Year as per Section D of and defined in the Balancing and Settlement Code
Additional Adjustments Revenue	The additional adjustment to TNUoS Revenue expected to be recovered from Generators as provided for at CUSC Section 14 Paragraph 14.5.

4.8 For any solutions with contain a Congestion Costs (Ancillary Services Exclusion) element namely CMP317/327 WACMs 42-83, the following definitions will also be required:

Costs outside Ancillary Services Exclusion

Term	Definition
Ancillary Services Exclusion	Costs recovered through BSUoS charges within the scope of “charges related to ancillary services” as per the Limiting Regulation. Ancillary services shall be construed (as implemented in UK law) by reference to the definition of Ancillary services in Directive EU 2019/944 and European Regulation 2019/943 which for the avoidance of doubt does not include congestion management costs.
Additional Adjustments Revenue	The additional adjustment to TNUoS Revenue expected to be recovered from Generators as provided for at CUSC Section 14 Paragraph 14.5.

4.9 Please see below full Matrix of CMP339 alternatives and to which solution for CMP317/327 they apply.

CMP317/327 solution	All	Local circuits	GOS	Pre-existing	€Target	BSC Costs	Congestion Costs	Relevant CMP339 WACM
Original	Y	Y						Original
WACM1	Y	Y						Original
WACM2	Y	Y			Y			1
WACM3	Y	Y			Y			1
WACM4	Y	Y			Y			1
WACM5	Y	Y			Y			1
WACM6	Y	Y			Y			1
WACM7	Y		Y					2
WACM8	Y		Y					2
WACM9	Y		Y		Y			3
WACM10	Y		Y		Y			3
WACM11	Y		Y		Y			3
WACM12	Y		Y		Y			3
WACM13	Y		Y		Y			3
WACM14	Y			Y				4
WACM15	Y			Y				4
WACM16	Y			Y	Y			5
WACM17	Y			Y	Y			5
WACM18	Y			Y	Y			5
WACM19	Y			Y	Y			5
WACM20	Y			Y	Y			5
WACM21	Y	Y				Y		6

WACM22	Y	Y				Y		6
WACM23	Y	Y			Y	Y		7
WACM24	Y	Y			Y	Y		7
WACM25	Y	Y			Y	Y		7
WACM26	Y	Y			Y	Y		7
WACM27	Y	Y			Y	Y		7
WACM28	Y		Y			Y		8
WACM29	Y		Y			Y		8
WACM30	Y		Y		Y	Y		9
WACM31	Y		Y		Y	Y		9
WACM32	Y		Y		Y	Y		9
WACM33	Y		Y		Y	Y		9
WACM34	Y		Y		Y	Y		9
WACM35	Y			Y		Y		10
WACM36	Y			Y		Y		10
WACM37	Y			Y	Y	Y		11
WACM38	Y			Y	Y	Y		11
WACM39	Y			Y	Y	Y		11
WACM40	Y			Y	Y	Y		11
WACM41	Y			Y	Y	Y		11
WACM42	Y	Y					Y	12
WACM43	Y	Y					Y	12
WACM44	Y	Y			Y		Y	13
WACM45	Y	Y			Y		Y	13
WACM46	Y	Y			Y		Y	13

WACM47	Y	Y			Y		Y	13
WACM48	Y	Y			Y		Y	13
WACM49	Y		Y				Y	14
WACM50	Y		Y				Y	14
WACM51	Y		Y		Y		Y	15
WACM52	Y		Y		Y		Y	15
WACM53	Y		Y		Y		Y	15
WACM54	Y		Y		Y		Y	15
WACM55	Y		Y		Y		Y	15
WACM56	Y			Y			Y	16
WACM57	Y			Y			Y	16
WACM58	Y			Y	Y		Y	17
WACM59	Y			Y	Y		Y	17
WACM60	Y			Y	Y		Y	17
WACM61	Y			Y	Y		Y	17
WACM62	Y			Y	Y		Y	17
WACM63	Y	Y				Y	Y	18
WACM64	Y	Y				Y	Y	18
WACM65	Y	Y			Y	Y	Y	19
WACM66	Y	Y			Y	Y	Y	19
WACM67	Y	Y			Y	Y	Y	19
WACM68	Y	Y			Y	Y	Y	19
WACM69	Y	Y			Y	Y	Y	19
WACM70	Y		Y			Y	Y	20
WACM71	Y		Y			Y	Y	20

WACM72	Y		Y		Y	Y	Y	21
WACM73	Y		Y		Y	Y	Y	21
WACM74	Y		Y		Y	Y	Y	21
WACM75	Y		Y		Y	Y	Y	21
WACM76	Y		Y		Y	Y	Y	21
WACM77	Y			Y		Y	Y	22
WACM78	Y			Y		Y	Y	22
WACM79	Y			Y	Y	Y	Y	23
WACM80	Y			Y	Y	Y	Y	23
WACM81	Y			Y	Y	Y	Y	23
WACM82	Y			Y	Y	Y	Y	23
WACM83	Y			Y	Y	Y	Y	23

5 Workgroup Consultation

The CMP339 Workgroup published its consultation on 13 May 2020, and it closed on 4 June 2020.

The workgroup asked the below questions.

Standard Workgroup Consultation questions:

- 1: Do you believe that CMP339 Original proposal better facilitates the Applicable CUSC Objectives?
- 2: Do you support the proposed implementation approach?
- 3: Do you have any other comments?
- 4: Do you wish to raise a Workgroup Consultation Alternative request for the Workgroup to consider?

Additional Workgroup Questions:

- 5: The workgroup's assumption is that definitions within the DCUSA and the BSC are not required for the purpose of this modification and do not relate to it. Do you agree?

- 6: The workgroup considers the terms “generators” and “producers” to be the equivalent for the purposes of this modification. Do you agree? If not, could you please explain why.
- 7: Do you feel these draft definitions are sufficiently clear and unambiguous and discharge the purpose of this modification?

No responses were received from industry.

6 Workgroup Vote

The workgroup held their vote on 16 June 2020. 13 Workgroup members voted. Full voting statements can be found in Annex 4 of this report.

Vote 1 – Should Alternative become a WACM?

Alternative Number	Number of votes for?	WACM?
1	10	Yes
2	11	Yes
3	11	Yes
4	11	Yes
5	11	Yes
6	10	Yes
7	10	Yes
8	11	Yes
9	11	Yes
10	11	Yes
11	11	Yes
12	10	Yes
13	10	Yes
14	13	Yes
15	13	Yes
16	13	Yes
17	13	Yes

18	10	Yes
19	10	Yes
20	13	Yes
21	13	Yes
22	13	Yes
23	13	Yes

Vote 2a – To assess the original and WACMs against the CUSC objectives compared to the baseline (the current CUSC).

Original/WACM	Number of votes for?
Original	8
1	8
2	9
3	9
4	9
5	9
6	8
7	8
8	9
9	9
10	9
11	9
12	8
13	8
14	9
15	9

16	9
17	9
18	8
19	8
20	9
21	9
22	9
23	9

Vote 2b – Are the WACMs better than the Original Solution?

Original/WACM	Number of votes for?
1	5
2	5
3	6
4	5
5	6
6	5
7	5
8	6
9	6
10	6
11	6
12	5
13	4
14	6
15	5

16	6
17	5
18	5
19	4
20	6
21	5
22	6
23	5

Vote 2c – Which Option is best?

Workgroup Member	Company	BEST Option?	Which objective(s) does the change better facilitate? (if baseline not applicable)
Alan Currie	Ventient Energy	WACM21	d
Jon Wisdom	National Grid ESO	No option is best as they all facilitate the changes that they are affiliated to.	(a) and (d)
Grace March	Sembcorp Energy UK	No option is best as they all facilitate the changes that they are affiliated to.	(a) and (d)
Paul Youngman	Drax	All options are equally valid depending on the decision made on CMP317/327	d

Paul Jones	Uniper	No option is best as they all facilitate the changes that they are affiliated to.	d
John Tindal	Keadby Generation Ltd	WACM 23	a, b and c
Dennis Gowland	Neven Point Wind (for EMEC)	WACM23	d
Robert Longden	Enenco	All options are equally valid depending on the decision made on CMP317/327	d
Garth Graham	SSE Plc	WACM 21	a, b and c
Simon Vicary	EDF Energy Customers Limited	WACM23	a,d
Bill Reed	RWE Supply and Trading	Neutral	d
Dan Hickman	Npower	All options are equally valid depending on the decision made on CMP317/327	A and D
John Harmer	Waters Wye Assoc.	Neutral	d

7 CMP339 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;	Positive
(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;	None
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	None
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive

*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).

This modification is expected to have a positive impact against CUSC applicable objectives A and D as this proposal will ensure that the CUSC remains fit for purpose with the implementation of the Authority's TCR decision. The rationale for the Decision(s) made by the Authority in respect of the Targeted Charging Review SCR can be found in the Authority/GEMA publications relating to that SCR. There is no expected impact upon CUSC applicable objective B and C.

8 Implementation

This modification should be implemented alongside CMP317 and CMP327

9 Legal Text

Legal text will be formulated alongside that of CMP317 and CMP327.

10 CMP339 Code Administrator Consultation Response Summary

The Code Administrator Consultation ran from 29 June to 20 July 2020; 1 response was received to the Code Administrator Consultation. A summary of the responses can be found in Section 10 of this document. The full responses can be located in Annex 5.

The only response was from the Proposer.

11 Panel Views

9 Panel members voted in total. The Panel voted by majority (5 or more), that all of the 24 potential solutions were better than the current CUSC baseline. These options are highlighted in the below table in yellow.

For reference the Applicable CUSC Standard Objectives are:

- (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.

*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).

Vote 1: Does the Original or WACMs 1-23 facilitate the objectives better than the Baseline?

Option	Number of Panel members who voted that the option was better than baseline
Original	8
WACM 1	7
WACM 2	8
WACM 3	7
WACM 4	8
WACM 5	7
WACM 6	8
WACM 7	7
WACM 8	8
WACM 9	7
WACM 10	8
WACM 11	7
WACM 12	7
WACM 13	7
WACM 14	8
WACM 15	8
WACM 16	8
WACM 17	8
WACM 18	7
WACM 19	7
WACM 20	8
WACM 21	8

WACM 22	8
WACM 23	8

Vote 2 – Which option is the best?

Panel Member	BEST Option?
Andy Pace	WACM2
Cem Suleyman	No preference
Garth Graham	WACM21
Grace March	WACM23
Jon Wisdom	No preference
Joseph Dunn	WACM23
Mark Duffield	WACM8
Andrew Enzor	WACM2
Paul Mott	WACM23

12 Annex 1: Terms of Reference

Annex found under Final Modification Report Tab at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

13 Annex 2: Legal Text

Legal text formulated alongside CMP317/327

14 Annex 3: CMP339 WACM Forms

Annex found under the Final Modification Report Tab at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

15 Annex 4: Voting Statements

Annex found under the Final Modification Report Tab at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

15 Annex 5: Code Administrator Consultation Responses

Annex found under the Final Modification Report Tab at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>

15 Annex 6: Panel Vote

Annex found under the Final Modification Report Tab at:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/consequential>