

Code Administrator Consultation

CMP367: Urgent housekeeping modification as a result of 1 April implementations

Overview: This proposal seeks to amend Section 14 of the CUSC due to the overlap of the implementation of CMP333 and CMP360 (if approved by the Authority). It also aligns numbering within Section 14.30.

Modification process & timetable



Have 5 minutes? Read our [Executive summary](#)

Have 20 minutes? Read the full [Code Administrator Consultation](#)

Have 30 minutes? Read the full Code Administrator Consultation and Annexes.

Status summary: We are now consulting on this proposed change.

This modification is expected to have a: Low impact

On CUSC Parties

Governance route

The unanimous view of the CUSC Panel is that CMP367 should proceed to Code Administrator Consultation and that this meets Ofgem's Urgency criteria (c). Therefore, the recommendation of the Panel is that CMP367 should be treated as an Urgent CUSC Modification Proposal.

On 23 March 2021, the Authority approved that CMP367 should be progressed as urgent.

Who can I talk to about the change?	Proposer: Lurrentia Walker Lurrentia.walker@nationalgrideso.com 07976 940 855	Code Administrator Contact: Paul Mullen Paul.j.Mullen@nationalgrideso.com
How do I respond?	Send your response proforma to cusc.team@nationalgrideso.com by 5pm on 25 March 2021 .	

Contents

Contents	3
What is the issue?	4
Why change?	4
What is the Proposer's solution?	4
Draft legal text	4
What is the impact of this change?	5
Proposer's assessment against CUSC Charging Objectives	5
Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories.....	6
When will this change take place?	6
Implementation date.....	6
Date decision required by	6
Implementation approach	6
Proposer's justification for governance route	6
Interactions	7
How to respond	7
Code Administrator Consultation questions	7
Acronyms, key terms and reference material	7
Reference material	7
Annexes	8

What is the issue?

This modification is seeking to address an overlap of formula's in Section 14.30 due to the implementation of [CMP333](#) 'BSUoS – Charging Supplier Users on gross demand (TCR)' and [CMP360](#) 'Aligning Section 14 of the CUSC 'Balancing Services Use of System Charging Methodology' (pending the Authority's decision) to the licence changes introduced by RII0-2 in respect of the 'System Operator Revenue Restriction'.

This modification also amends paragraph numbering to ensure consistency in Section 14.30 as a result of the implementations of [CMP281](#) 'Removal of BSUoS charges from energy taken from the National Grid System by Storage Facilities', [CMP333](#) 'BSUoS – Charging Supplier Users on gross demand (TCR)' and [CMP360](#) 'Aligning Section 14 of the CUSC 'Balancing Services Use of System Charging Methodology' (pending the Authority's decision).

Why change?

This modification is required as it will ensure that the CUSC, as of 1 April 2021 reads as intended.

What is the Proposer's solution?

The Proposer's solution is to amend Section 14.30 of the CUSC.

Draft legal text

The draft legal text can be found in Annex 3.

The legal text provided assumes that CMP360 is approved by the Authority. CMP360 is still awaiting decision and a decision is anticipated by 31 March 2021. If CMP360 is not approved by Ofgem, then our expectation is that CMP367 will also be rejected.

If CMP360 and CMP367 are rejected, then the BSUoS Modifications that will come into effect on 1 April 2021 will be [CMP281](#) and [CMP333](#) as per Ofgem's decisions dated [14 May 2020](#) and [3 December 2020](#) respectively.

For the avoidance of doubt, [CMP345](#) '*Defer the additional COVID-19 BSUoS costs*' and [CMP350](#) '*Changes to the BSUoS Covid Support Scheme*' which were implemented on 25 June 2020 and 14 August 2020, will remain in the baseline legal text.

What is the impact of this change?

Proposer's assessment against CUSC Charging Objectives	
Relevant Objective	Identified impact
(a) 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;	Positive Reflects decisions from the Authority.
(b) 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);	Positive Reflects decisions from the Authority.
(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;	Neutral
(d) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	Neutral
(e) Promoting efficiency in the implementation and administration of the system charging methodology.	Positive Reflects decisions from the Authority.
*Objective (d) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).	

Proposer's assessment of the impact of the modification on the stakeholder / consumer benefit categories

Stakeholder / consumer benefit categories	Identified impact
Improved safety and reliability of the system	Neutral
Lower bills than would otherwise be the case	Neutral
Benefits for society as a whole	Neutral
Reduced environmental damage	Neutral
Improved quality of service	Neutral

When will this change take place?

Implementation date

This modification will require an implementation date of 1 April 2021.

Date decision required by

A decision is required by 30 March 2021, as implementation is required by 1 April 2021.

Implementation approach

N/A

Proposer's justification for governance route

Governance route: Urgent modification to proceed under a timetable agreed by the Authority (with an Authority decision)

This modification should be treated as urgent as it links to an imminent issue that if isn't addressed will cause a party to be in breach of any relevant legal requirements. (Ofgem urgency criteria (c)). Without this modification, there would not be a version of legal text to implement from 1 April 2021 which has been consulted on/approved in its complete form. Therefore, we would technically be working outside of the CUSC.

Interactions

- | | | | |
|--|---|---|--------------------------------|
| <input type="checkbox"/> Grid Code | <input type="checkbox"/> BSC | <input type="checkbox"/> STC | <input type="checkbox"/> SQSS |
| <input type="checkbox"/> European
Network Codes | <input type="checkbox"/> EBGL Article 18
T&Cs ¹ | <input type="checkbox"/> Other
modifications | <input type="checkbox"/> Other |

This proposal has no interactions with other industry codes.

How to respond

Code Administrator Consultation questions

- Do you believe that CMP367 Original proposal better facilitates the Applicable Objectives?
- Do you support the proposed implementation approach?
- Do you have any other comments?

Views are invited on the proposals outlined in this consultation, which should be received by 5pm on **25 March 2021**. Please send your response to cusc.team@nationalgrideso.com using the response pro-forma which can be found on the [CMP367](#) modification page.

If you wish to submit a confidential response, mark the relevant box on your consultation proforma. Confidential responses 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.

Acronyms, key terms and reference material

Acronym / key term	Meaning
BSC	Balancing and Settlement Code
CMP	CUSC Modification Proposal
CUSC	Connection and Use of System Code
EBGL	Electricity Balancing Guideline
STC	System Operator Transmission Owner Code
SQSS	Security and Quality of Supply Standards
T&Cs	Terms and Conditions

Reference material

- None

¹ If your modification amends any of the clauses mapped out in Exhibit Y to the CUSC, it will change the Terms & Conditions relating to Balancing Service Providers. The modification 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.

Annexes

Annex	Information
Annex 1	Proposal form
Annex 2	Urgency Letter to the Authority
Annex 3	Legal text