Background

- BSUoS charged 50 / 50 to generation & demand.

- Prevalent national arrangements within EU is to charge predominantly to demand.

  - France: G/D split 2% / 98%

  - Netherlands: G/D split 0% / 100%

  - Ireland SEM: G/D split 25% / 75%

- GB Market Price "uplifted" by BSUoS

  - Not comparable or competitive with other EU member states

Summary of Defect

- In context of EU internal market in electricity, GB arrangements disadvantage GB generation when compared to equivalent generation in other EU Member States.

Proposed CUSC Modification

■ Remove BSUoS charges from GB generation.

Justification against Applicable CUSC Objectives

- **Relevant objective (a): Facilitate effective competition.**

  - **Promotes level playing field between generation in EU internal market for electricity;**

  - **Hence facilitates further cross-border trading with benefits to both GB consumers and generation as a consequence.**

- **Relevant objective (c): transmission business developments.**

  - **Reflects National Grid's duties to promote EU internal market.**

Code Administrator Proposed Progression

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- The Panel is asked to:
    - AGREE the establishment of a Workgroup to develop the proposal

Code Administrator Proposed Timetable

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16 December 2011	Panel to agree progression
W/C 9 January 2012	Workgroup meeting
W/C 30 January 2012	Second Workgroup meeting
9 February 2012	Issue draft Workgroup Consultation for Workgroup comment (5 days)
16 February 2012	Deadline for comments on draft Workgroup Consultation
20 February 2012	Publish Workgroup consultation (for 3 weeks)
12 March 2012	Deadline for responses to Workgroup consultation
W/C 19 March 2012	Post-consultation Workgroup meeting
28 March 2012	Circulate draft Workgroup Report (2 week comment due to Easter period)
11 April 2012	Deadline for comment on Workgroup report
19 April 2012	Submit final Workgroup report to Panel Secretary
27 April 2012	Present Workgroup report to CUSC Modifications Panel

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Questions?