

# CMP223 'Arrangements for Relevant Distributed Generators Under the Enduring Generation User Commitment'



CUSC Panel – 29<sup>th</sup> May 2015  
Jade Clarke – Code Administrator

## Background

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- CUSC 15 user commitment applies security reductions to reflect lower risk situations
  - E.g. may only require 10% liability to be secured
- NGET applies CUSC 15 to distributed generators (DG) via their DNO (excluding BEGA wider liability)
- DG are not benefiting from security reductions in a number of cases
- DNOs have no mechanism to recover any shortfall between security and liability, and would be exposed to full financial risk of bad debt

## Proposed CUSC Modification

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- Proposed by Carnedd Wen Onshore Wind Farm Ltd in September 2013.
- CMP223 seeks to modify the CUSC such that distribution connected generators deemed to have an impact on the electricity transmission network are not faced with undue discrimination in the way security requirements under CUSC Section 15 are passed on.

## Authority send-back

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- On 24<sup>th</sup> October 2014, the Authority wrote to the CUSC Panel Chair stating their decision to direct that the report on CMP223 is revised and resubmitted.
- A revised FMR should:
  - Provide a detailed overview of the debt collection process and how this would be implemented for the original and alternative proposals.
  - Set out this process in a clear and easy to understand manner so that stakeholders are clear on what would be required of them.
- The Workgroup agree that this is now included within the updated Workgroup Report.

## Workgroup Consultation

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- 9 responses received to the Workgroup consultation, all supportive of one or more options identified
  - Majority supportive of the alternative options
- No further Workgroup Consultation following Authority send-back.

## Workgroup Vote

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- 9 Workgroup Members voted
- 4 WACM's proposed
- 7 Workgroup Members voted that CMP223 WACM3 best facilitates the applicable CUSC Objectives
- All Workgroup members confirmed that their vote had not changed following Authority send-back.

## Code Administrator Consultation

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- 3 responses received
- All respondents supportive of CMP223

## National Grid's view

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- CMP223 WACM1 best facilitates the Applicable CUSC Objectives (a) and (b) as it is simple to implement, transparent, ensures equal treatment for all distributed generation and maintains the incentive to chase debt on the party that holds that debt.



## Questions before Panel Vote?



## Panel Recommendation Vote

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- a) The efficient discharge by the licensee of the obligations imposed upon it under the Act and by 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.

## Proposed Timetable

<b>29 May 2015</b>	<b>Panel vote</b>
<b>1 June 2015</b>	<b>Issue FMR for final comment</b>
<b>8 June 2015</b>	<b>Deadline for comments</b>
<b>10 June 2015</b>	<b>Final Report sent to Authority for decision</b>
<b>15 July 2015</b>	<b>Indicative 25 day KPI for decision</b>
<b>1 April 2016</b>	<b>CMP223 Implemented (if approved)</b>