

Connection and Use of System Code (CUSC)

Title of the CUSC Modification Proposal
Potential consequential changes to the CUSC as a result of CMP244
Submission Date
19 th November 2015
Description of the Issue or Defect that the CUSC Modification Proposal seeks to address
<p>In May 2015, CMP244 ('Set final TNUoS tariffs at least 15 months ahead of the charging year') was raised by EDF.</p> <p>Following analysis at the industry Workgroup, the Proposer decided to modify the Original Proposal to suggest an extended notice period of 6-8 months for TNUoS tariffs. This modified CMP244 Original Proposal is currently within the Workgroup development stage (its Workgroup consultation closed on 19th November 2015).</p> <p>As part of the Workgroup analysis, the Workgroup identified that whilst this was a charging modification (which if approved would require change to aspects of section 14 - Charging Methodologies of the CUSC) there are in fact some minor references outside section 14 of the CUSC that would require change should CMP244 be approved. However these could not be addressed via CMP244 as it is a charging modification seeking to amend Section 14 of the CUSC and therefore will be assessed against the Applicable Charging Objectives. Any modifications to the CUSC outside of Section 14 – Charging Methodologies are assessed against the CUSC Objectives (not Charging).</p> <p>Consequently this modification has been raised to detail the required changes to Section 3 and Section 11 of the CUSC. It is suggested that this Modification is amalgamated with CMP244, and the detailed CUSC changes be taken forward should CMP244 be approved.</p>
Description of the CUSC Modification Proposal
It is proposed that sections 3 and 11 of the CUSC (and any other sections outside section 14 deemed appropriate by the CMP244 Workgroup) are modified as detailed below to reflect any changes to section 14 should CMP244 be approved. This will ensure that sections 3 and 11 of the CUSC align with section 14, in order to provide clarity to CUSC parties.

Impacts on the CUSC

Under the current Original Proposal for CMP244, Section 3.14.3 needs alteration if the modification is passed; currently the legal text states “*The Company shall give the User not less than 2 months prior written notice of any revised charges*”. Should CMP244 be approved, this would need to be changed to reflect the final revised notice period agreed by the CMP244 Proposer or any alternative proposals agreed by the CMP244 Workgroup.

Section 11 currently defines the TNUoS tariff forecasting timetable as ‘*an annual timetable prepared and published by The Company by the end of January of each Financial Year (t) which sets out when The Company will publish updates in Financial Year (t+1) (being not less than quarterly) to the forecast of Transmission Network Use of System Charges for the Financial (t+2)*’.

Should CMP244 be approved, this would need to change to reflect the final revised forecasting timetable agreed as part of CMP244.

The suggested amendments above are to be developed by the CMP244 Workgroup and depending on whether the Proposer changes their Original Proposal or any alternatives are agreed, the Workgroup may consider with Code Administrator’s advice whether any other parts of the CUSC need amendment.

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? Yes / No

No

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information

BSC **N**

Grid Code **N**

STC **N** – If CMP244 is approved the STC will need a simple parallel amendment to specify that transmission owners give necessary information to National Grid’s charging team in sufficient time for any future approved TNUoS forecasting timetable. Modification CMP256, to make minor amendments to non-charging sections of the CUSC (outwith CMP244, as that is a charging mod) if CMP244 is passed, does nothing to add to or detract from this effect of CMP244. It merely ensures that CMP244 can properly be given effect in CUSC wording, including the part of the CUSC outwith section 14 where CMP244, as a “charging” modification, cannot change the wording.

Other **N** : If CMP244 is approved, it is possible that Ofgem may review some of the parameters in the RIIO-T1 price control to ensure that TOs can efficiently finance themselves given the need to stabilise revenues collected by TNUoS 6-8 months ahead. However, Modification CMP256, to make minor amendments to non-charging sections of the CUSC (outwith CMP244, as that is a charging mod) if CMP244 is passed, does nothing to add to or

detract from this effect of CMP244.

Both of these impacts on core industry documentation are being considered as part of CMP244.

Urgency Recommended: Yes / No

No

Justification for Urgency Recommendation

n/a

Self-Governance Recommended: Yes / No

No

Justification for Self-Governance Recommendation

n/a

Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews?

There are no relevant SCRs in process.

Impact on Computer Systems and Processes used by CUSC Parties:

No impact

Details of any related modification proposal you have raised to other industry codes

CMP244 **'Set final TNUoS tariffs at least 15 months ahead of the charging year'**

Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives:

This section is mandatory. You should detail why this Proposal better facilitates the Applicable CUSC Objectives compared to the current baseline. Please note that one or more Objective must be justified.

Please tick the relevant boxes and provide justification:

(a) the efficient discharge by The Company of the obligations imposed upon 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.

These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1.

Objective (c) was added in November 2011. This refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

Please tick the relevant boxes to show where the proposal better meets that objective than baseline, and then provide justification.

Justification:

a) National Grid is obliged to comply with Modification Proposals approved by the Authority and integrated into the CUSC. Where the two do not align as intended then this leads to inefficiency and a lack of clarity for CUSC parties.

b) Generators and Suppliers pay TNUoS charges to access the National Electricity Transmission System. These costs end up in the final prices passed on to GB consumers. The proposed changes herewith will bring greater clarity in the CUSC to the notice period Suppliers and Generators will receive for their TNUoS tariffs, and to the forecasts they will receive ahead of final tariffs being published. This will enable both Generators and Suppliers to more clearly account for the impact of TNUoS costs into their prices, reducing uncertainty and thus improving competition.

Additional details

Details of Proposer: (Organisation Name)	Binoy Dharsi, EDF Energy
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Binoy Dharsi, EDF Energy, Binoy.Dharsi@edfenergy.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Paul Mott, EDF Energy, 0203 126 2314, Paul.Mott@edfenergy.com
Attachments (Yes/No): NO	

Contact Us

If you have any questions or need any advice on how to fill in this form please contact the Panel Secretary:

E-mail cusc.team@nationalgrid.com

Phone: 01926 653606

For examples of recent CUSC Modifications Proposals that have been raised please visit the National Grid Website at <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/Current/>

Submitting the Proposal

Once you have completed this form, please return to the Panel Secretary, either by email to jade.clarke@nationalgrid.com and copied to cusc.team@nationalgrid.com, or by post to:

Jade Clarke

CUSC Modification Proposal Form v1.6

CUSC Modifications Panel Secretary
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If no more information is required, we will contact you with a Modification Proposal number and the date the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, the Proposal can be rejected. You will be informed of the rejection and the Panel will discuss the issue at the next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform you.