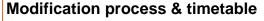
CUSC Modification Proposal Form

CMP382: Amend the terminology used in CUSC Section 14 to align with the definitions of 'Financial Year' and 'Business Day' within CUSC Section 11

Overview: Seeks to ensure that the use of "charging year" and "Working Day" in Section 14 is replaced and aligned with the already defined "Financial Year" and "Business Day".





Status summary: The Proposer has raised a modification and is seeking a decision from the Panel on the governance route to be taken

This modification is expected to have a: Low impact

National Grid ESO and CUSC Parties

| Proposer's recommendation of governance route | Self-Governance modification to proceed to Code Administrator Consultation | |
|--|---|--------------------------------------|
| Who can I talk to | Proposer: | Code Administrator Contact: |
| about the change? | Harvey Takhar | Paul Mullen |
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What is the issue?

At present the terms "charging year" and "Working Day" are used within CUSC Section 14. However, these are not defined terms within CUSC Section 11. Therefore, there are inconsistencies between CUSC Section 11 and Section 14.

Why change?

<u>Ofgem's decision on CMP373</u> (dated 24 May 2021) noted the misalignment between the use of "charging year" and "Financial Year" and the proposed changes in this modification seek to address this.

The proposed change will create clarity and consistency going forward for CUSC parties.

What is the proposer's solution?

The proposed solution is to align Section 14 of the CUSC by replacing any reference to "charging year" and "Working Day" with the already defined terms "Financial Year" and "Business Day".

Legal Text is attached in Annex 1.

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; | Neutral No material impact from the proposed changes | |
| (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); | Neutral | |
| (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 | Positive |
|--|---|
| administration of the system charging methodology. | Proposed changes will provide greater consistency and therefore clarity to CUSC Parties. |

*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

9 May 2022.

Date decision required by

Panel Self-Governance vote needs to take place on 25 March 2022.

Implementation approach

No systems or processes will need to be amended as a result of this proposal.

Proposer's justification for governance route

Governance route: Self-Governance modification to proceed to Code Administrator Consultation

The modification is unlikely to discriminate between different CUSC Parties and is unlikely to have a material effect on Existing or future electricity customers Competition in the

generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity, The operation of the National Electricity Transmission System, Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies. This is because, by making these changes there is no material impact to users as the new definitions will have the same meaning in terms of time period as the previously used terms ("charging year" & Working Day")

Interactions

| □Grid Code | □BSC | □STC | |
|----------------------------|----------------------------------|-------------------------|--------|
| □European Network Codes | EBR Article 18 T&Cs ¹ | □Other modifications | □Other |
| | 1005 | modifications | |

None identified

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 |
| EBR | Electricity Balancing Regulation |
| STC | System Operator Transmission Owner Code |
| SQSS | Security and Quality of Supply Standards |
| T&Cs | Terms and Conditions |

Reference material

• Ofgem's decision on CMP373

| Annexes | | |
|---------|-------------|--|
| Annex | Information | |
| Annex 1 | Legal text | |

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 Electricity Balancing Guideline (EBR – 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.