

**Workgroup Consultation Response Proforma****CMP384: Apply adjustments for inflation to manifest error thresholds using indexation**

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com) by **5pm** on **08 July 2022**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact Ren Walker [Lurrentia.walker@nationalgrideso.com](mailto:Lurrentia.walker@nationalgrideso.com) or [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com)

Respondent details	Please enter your details
<b>Respondent name:</b>	Alan Currie
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**I wish my response to be:**

(Please mark the relevant box)

☒ Non-Confidential☐ Confidential

*Note: A confidential response 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.*

**For reference the Applicable CUSC (charging) Objectives are:**

- 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;*
- 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);*
- 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;*
- d. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*; and*

- e. *Promoting efficiency in the implementation and administration of the system charging methodology.*

*\*The Electricity Regulation referred to in objective (d) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.*

Please express your views in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the Original Proposal better facilitates the Applicable Objectives?	<p>Mark the Objectives which you believe the Original Solution better facilitates:</p> <p>Original    <input checked="" type="checkbox"/>A    <input checked="" type="checkbox"/>B    <input checked="" type="checkbox"/>C    <input type="checkbox"/>D    <input checked="" type="checkbox"/>E</p> <p>Click or tap here to enter text.</p>
2	Do you support the proposed implementation approach?	<p><input type="checkbox"/>Yes <input checked="" type="checkbox"/>No</p> <p>Given that it is widely accepted within the workgroup that the thresholds require updating it would have been preferential to see this implemented and being effective in this charging year.</p>
3	Do you have any other comments?	We have overall support for this modification with the exception that we would like to have seen this come into effect for this charging year.
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<p><input type="checkbox"/>Yes <input checked="" type="checkbox"/>No</p> <p>Click or tap here to enter text.</p>

Specific Workgroup Consultation questions		
1	Do you support the current/new manifest error thresholds and the effect they have on Users being just below/above the threshold?	We do support that the thresholds are updated given they were set 16 years ago and are no longer reflective of the current TNUoS revenue. We also believe that the change to CUSC 14.17.34 for the tariff rate in £/kW or the total excess helps to protect both small and large users.
2	A Generators reconciliation generally occurs in April <sup>1</sup> following the charging year that the manifest error has occurred, should there be different thresholds/and or timings for	Given the potential high impact to a single generator, and that errors to date have impacted a small number of generators we feel that a mechanism to allow an expedited reconciliation to be fairer over different cost recovery scenarios that are socialised amongst a wider group.

<sup>1</sup> Section 3.13.2 of the CUSC states "As soon as reasonably practicable and in any event by 30 April in each Financial Year The Company shall prepare a generation reconciliation statement (the "Generation Reconciliation Statement") in respect of generation related Transmission Network Use of System Charges and send it to the User. Such statement shall specify the Actual Amount and the Notional Amount of generation related Transmission Network Use of System Charges for each month during the relevant Financial Year and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated".

	reconciliation of a credit v charge?	
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