Workgroup Consultation Response Proforma

**CMP411: Introduction of Anticipatory Investment (AI) within the Section 14 charging methodologies.**

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 by **5pm** on **7 July 2023**. 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 cusc.team@nationalgrideso.com

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| **Respondent details** | **Please enter your details** |
| **Respondent name:** | Click or tap here to enter text. |
| **Company name:** | Click or tap here to enter text. |
| **Email address:** | Click or tap here to enter text. |
| **Phone number:** | Click or tap here to enter text. |
| **Which best describes your organisation?** | [ ] Consumer body[ ] Demand[ ] Distribution Network Operator[ ] Generator[ ] Industry body | [ ] Interconnector[ ] Storage[ ] Supplier[ ] Transmission Owner[ ] Virtual Lead Party[ ] Other |

**I wish my response to be:**

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| (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:**

1. *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;*
2. *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);*
3. *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;*
4. *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency \*; and*
5. *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.**

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| **Standard Workgroup Consultation questions** |
| 1 | Do you believe that the Original Proposal better facilitate the Applicable Objectives? | Mark the Objectives which you believe the Original better facilitates: |
| Original | [ ] A [ ] B [ ] C [ ] D [ ] E  |
| Click or tap here to enter text. |
| 2 | Do you support the proposed implementation approach? | [ ] Yes[ ] No |
| Click or tap here to enter text. |
| 3 | Do you have any other comments? | Click or tap here to enter text. |
| 4 | Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?  | [x] Yes[ ] No |
| Click or tap here to enter text. |

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| **Specific Workgroup Consultation questions** |
| 5 | Consider recovery of the AI cost gap if the subsequent generator connects at a much later point in time e.g., 15-20 years later. | Click or tap here to enter text. |
| 6 | Consider the options for applying inflation, e.g., should it be CPI or RPI linked? | Click or tap here to enter text. |
| 7 | If a local circuit changes to a wider circuit, should the subsequent generator still pay for the AI cost gap and AI, or should this be filtered through the wider tariff? | Click or tap here to enter text. |
| 8 | Does your answer to **Q7** change if the majority of the AI was built specifically for a specific local generator but may be utilised by the wider system during certain periods? | Click or tap here to enter text. |
| 9 | Are there any other comments in relation to **Q7 and Q8** on a broader perspective? | Click or tap here to enter text. |
| 10 | Consider the impact on consumers if the subsequent generator(s) don’t connect to the National Electricity Transmission System. |  |