

Current CUSC Modifications

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Current CUSC Charging Mods

CMP255
Certainty on
G/D Split

CMP250
Fixed BSUoS

CMP262
DSBR/SBR &
BSUoS

CMP251
€2.50/MWh cap
for future years

CMP244
200 day TNUoS
Notice

CMP266
Facilitating HH
elective

CMP261
€2.50/MWh cap
for 2015/16

CMP265
Embedded Benefit
Standstill

CMP264
Embedded Benefit
and CM

CMP264 and CMP265: Proposers' views

CMP264

**Embedded Generation Triad
Avoidance Standstill**

Raised by: Scottish Power

“

Large non-cost reflective Triad values for distributed generation are likely to distort CM investment or closure decisions

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“

Current arrangements will distort the development of economic generation mix and transmission system, distort the CM and continue to provide a cross subsidy between customer groups

”**CMP265**

**Gross charging of TNUoS for
HH demand where embedded
generation is in Capacity
Market**

Raised by: EDF

Workgroup discussions to date include...

- Identifying the **breadth** of the potential impact of these modifications on the energy and capacity markets
- Current and future **value of the TNUoS 'triad avoidance' embedded benefit**
- Effect of the triad avoidance on **consumer costs** – considering the relationship between embedded generators and suppliers
- Transmission **charging signals for embedded generators** – examining the demand locational and residual charges
- Investigating the **cost reflectivity of the charging arrangements** for differing types of demand response at a grid supply point
- Discussing the **detail of the proposed modifications** and the operational solutions required
- Ideas for **alternative modifications** to address the defect

Next steps

- Workgroup are on an accelerated timescale for these modifications
- The workgroup will issue a consultation this summer
- Seeking input from all impacted parties – generators and suppliers

nationalgrid
Stage 02: Workgroup Consultation

Connection and Use of System Code (CUSC)
What stage is this document at?

CMP264

‘Changes to the Transport and Tariff Model and billing arrangements to remove the netting of output from New Embedded Generators until Ofgem has completed its consideration of the current electricity transmission Charging Arrangements (and any review which ensues) and any resulting changes have been fully implemented.’

CMP264 aims to remove the netting of output from New Embedded Generators for the purposes of TNUs charging.

This document contains the discussion of the Workgroup which formed in June 2016 to develop and assess the proposal. Any interested party is able to make a response in line with the guidance set out in Section 6 of this document.

Published on:
Length of Consultation:
Responses by:

✔ **The Workgroup concludes:**
To be completed following the Workgroup Consultation

! **High Impact:**

01	Initial Workgroup Assessment
02	Workgroup Consultation
03	Workgroup Report
04	Code Administrator Consultation
05	Draft CUSC Modification Report
06	Final CUSC Modification Report

CMP264 where

This document is available to this document.

Published on:
Length of Consultation:
Responses by:

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Agenda for the day

- 9:00 **Methodology Overview** – transmission and distribution
- 10:00 **Introduction and Objectives**
- 10.15 The Case for Change** – presentations from Energy UK, the ADE, the ENA, and National Grid
- 12:10 **Panel discussion** – Current context and challenges for charging
- 12:30 **Lunch** – with industry experts available for Q & A
- 13:30 **Developing the charging review** – vision, scope and phasing
- 15:00 **Break** – with industry experts available for Q & A
- 15:30 **Developing the charging review** – principles and way forward
- 16:15 **Reflections on the day and questions**
- 16:25 **Thanks and close**