

## CUSC Code Administrator Consultation Response Proforma

### CMP318 – Maintaining Non Half-Hourly (NHH) charging arrangements for Measurement Classes F and G

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 by **5 August 2019** to [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com). Please note that any responses received after the deadline or sent to a different email address may not receive due consideration by the CUSC Modifications Panel when it makes its final determination.

These responses will be included in the Final CUSC Modification Report which is submitted to the CUSC Modifications Panel.

<b>Respondent:</b>	<i>Damian Clough (Damian.Clough@elexon.co.uk)</i>
<b>Company Name:</b>	<i>ELEXON</i>
<b>Do you believe that the proposed original or any of the alternatives better facilitate the Applicable CUSC Objectives? Please include your reasoning.</b>	<p>For reference, the Applicable CUSC objectives are:</p> <p>Overall better than baseline</p> <p><b>Non-Standard (Charging) Objectives</b></p> <ul style="list-style-type: none"> <li>(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;</li> <li>(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);</li> <li>(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;</li> </ul>

	<p>(d) 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 *; and</p> <p>(e) Promoting efficiency in the implementation and administration of the CUSC arrangements.</p>
<p><b>Do you support the proposed implementation approach? If not, please state why and provide an alternative suggestion where possible.</b></p>	<p><i>No comments</i></p>
<p><b>Do you have any other comments?</b></p>	<p><i>Prior to 1st April 2017, Measurement Classes E-G were charged under the Non Half Hourly (NHH) methodology even though they were settled Half Hourly (HH). This was to avoid double charging of the demand element of TNUoS when customers moved from being NHH settled to HH settled. This methodology was introduced by CMP241 and extended by CMP247.</i></p> <p><i>From 1<sup>st</sup> April 2017 Measurement Classes E-G would be charged under the HH methodology.</i></p> <p><i>This was seen as a barrier for HH Elective Customers moving from being settled NHH to HH as it would create the same defect as CMP241 which was being double charged.</i></p> <p><i>CMP266 was therefore subsequently raised to remove this barrier. The original proposal was to extend the current arrangements i.e. continue to charge Measurement Classes E-G under the NHH methodology.</i></p> <p><i>However ELEXON confirmed that due to the introduction of new Component Classes it was possible to separate out demand data for Measurement Class E from F-G. This led to the formation of WACM1 (which was approved) where Measurement Class E was charged under the HH methodology and F-G under the NHH methodology. As noted in the Code Admin Consultation and consultation responses there was the desire from some Industry Parties to charge Measurement Class G under the HH methodology. However the limitations in demand data prevented this from being a viable WACM.</i></p> <p><i>CMP318 seeks to extend the current arrangements from April 2020 to April 2023. I.e. those sites which would have been charged under the HH methodology from April 2020 will now not</i></p>

be.

*We agree entirely that the arrangements do need to be extended for HH Elective customers who move into Measurement Class F to avoid double charging.*

*It is important to note that it is now possible to separate out demand data for Measurement Classes E, F and G from each other due to P348/349. Measurement Class F and G could be charged under separate methodologies if there is the need or desire to do so from Industry Parties.*

*Suppliers will be best placed to know whether customers in Measurement Class G were expecting to be charged under the HH methodology from the 1<sup>st</sup> April 2020, as this is the current baseline.*

*Due to the timing of the raising of this modification which leaves limited time for assessment, it is pragmatic to extend the current arrangements due to the real concern over double charging for Measurement Class F (domestic HH), which is a blocker which needs to continue to be removed.*

*If there is the desire from Industry parties for Measurement Class G to be charged under the HH methodology this may come out in the consultation responses and this could then be achieved through a separate modification.*