

Promoting choice and value to customers

Alison Kay CUSC Panel Secretary National Grid Warwick Technology Park Gallows Hill Warwick CV34 6DA

Your Ref:

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2 March 2009

Dear Alison,

Request for Urgency in relation to Code Amendment Proposal CAP168: Transmission Access – Under-use and reallocation of TEC.

Thank you for your email to Dipen Gadhia, dated 27 February 2009, containing the Panel's recommendation that CAP168 should be treated as an Urgent Amendment Proposal.

Characteristics of Urgent Amendments

Our view is that, in general, urgent amendments are likely to exhibit at least one of the following characteristics:

- There is a very real likelihood of significant commercial impact upon NGET, industry parties, or customers if an Amendment Proposal is not urgent;
- Safety and security of the network is likely to be impacted if a proposed Amendment is not urgent; and
- The proposal is linked to an imminent date related event.

Applying these characteristics to CAP168

There are clear interactions between CAP168 and the existing Transmission Access related amendments, CAPs 161-165, which are with the Authority for decision and CAP 166 which is due to submitted shortly.

We have previously stated the importance and urgency for reforming the Transmission Access arrangements and the significant commercial impacts of doing so. We have also previously indicated our desire to see all possible options for such reform to be with us at the same time so that we may make a holistic decision.

We consider that if CAP 168 is progressed along an Urgent Amendment Process, it can be considered within our impact assessment that we will be undertaking for the existing amendments.

Our decision on urgency

Ofgem therefore agrees with the CUSC Panel and consents to CAP168 being treated as an Urgent Amendment Proposal for the purposes of section 8.21.1.5 of the CUSC.

Urgency Timetable

Ofgem agrees that the amendment should follow the timetable proposed by the Panel, as set out below.

Process	Date
Amendment submitted to Work Group (WG)	27/02/09
WG report submitted to Panel	01/04/09
Panel consider WG report	03/04/09
Amendment submitted to Company Consultation	08/04/09
Company Consultation closes	24/04/09
Draft Amendment Report circulated to Industry	01/05/09
Panel undertake Recommendation Vote	06/05/09
Final Amendment Report submitted to the Authority	11/05/09

Ofgem has not, by consenting to the request that CAP168 be treated as an Urgent Amendment Proposal, made any judgement on its merits.

If you have any queries in relation to the issues raised in this letter, please feel free to contact me on the number above.

Yours sincerely

Mark Feather

Director, Industry Codes & Licensing

Signed on behalf of the Authority and authorised for that purpose by the Authority