

CUSC Modification Proposal Form

CMP212

Title of the CUSC Modification Proposal: *(mandatory by Proposer)*

Setting limits for claim: submission, validation and minimum financial threshold values in relation to Relevant Interruptions

Submission Date *(mandatory by Proposer)*

21 June 2012

Description of the CUSC Modification Proposal *(mandatory by Proposer)*

Section 5.10 of the CUSC sets out the CUSC provisions in relation to a Relevant Interruption. A Relevant Interruption is defined in Section 11 as an "Interruption other than an Allowed Interruption".

Section 5.10 does not specify any time limits on Users to raise or for National Grid to investigate a Relevant Interruption claim. Section 5.10 also does not specify any minimum financial value for a Relevant Interruption claim.

It is proposed to amend the CUSC provisions such that section 5.10 specifies the time frame by which (following a Relevant Interruption) a User has to raise a claim and the time frame by which (following a Relevant Interruption claim) National Grid has to confirm the validity or otherwise of a claim. The actual time frames which may be applicable to these two situations are not detailed as part of this modification proposal and would be subject to discussion/agreement with the industry.

It is also proposed as part of this modification proposal that section 5.10 specifies a minimum financial value for a Relevant Interruption claim. If a claim was submitted whose financial value was less than the minimum threshold value, the claim would not be progressed. The actual minimum value which would be applicable is not detailed as part of this modification proposal and would be subject to discussion/agreement with the industry.

Note: National Grid is raising this modification on behalf of the BSSG. The BSSG's position paper is attached for background information.

Description of Issue or Defect that CUSC Modification Proposal seeks to Address: *(mandatory by Proposer)*

The CUSC does not specify any timescales by which Relevant Interruption claims can be submitted, in theory claims could be submitted for an incident that occurred some time ago. The investigation of such a claim may be more burdensome because of a lengthy delay between the incident and claim. To improve the robustness of the administrative process of Relevant Interruption claims, it is proposed to introduce time frames by which a User (following an Interruption) has to raise a claim. It is also proposed to introduce a minimum financial threshold value which would apply to a Relevant Interruption claim.

The CUSC does not specify any timescales within which National Grid has to confirm the validity or otherwise of a claim. As this modification proposes timescales within which Users have to submit a claim, the administrative process of Relevant Interruption claims would be equitable if timescales for National Grid to confirm the validity or otherwise of claims were also specified.

The introduction of a minimum claim value would increase the efficiency and streamline the investigation process.

For the avoidance of doubt, this modification does not propose to change Section 5.10.2. This section specifies that National Grid will make a payment within 28 days from the date of agreement as to the amount of an Interruption Payment.

Impact on the CUSC *(this should be given where possible)*

Section 5.10, Relevant Interruptions, will need to be amended.

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? Yes/No *(mandatory by Proposer. Assessed in accordance with Authority Guidance – see guidance notes for website link)*

NO

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information *(this should be given where possible)*

BSC

Grid Code

STC

Other
(please specify)

Urgency Recommended: Yes / No *(optional by Proposer)*

NO

Justification for Urgency Recommendation *(mandatory by Proposer if recommending progression as an Urgent Modification Proposal)*

Self-Governance Recommended: Yes / No *(mandatory by Proposer)*

NO

Justification for Self-Governance Recommendation *(Mandatory by Proposer if recommending progression as Self-governance Modification Proposal)*

Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews? *(Mandatory by Proposer in order to assist the Panel in deciding whether a Modification Proposal should undergo a SCR Suitability Assessment)*

Yes

Impact on Computer Systems and Processes used by CUSC Parties: *(this should be given where possible)*

Details of any Related Modification to Other Industry Codes *(where known):*

Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives: *(mandatory by proposer)*

Please tick the relevant boxes and provide justification:

(a) the efficient discharge by The Company of the obligations imposed upon it by the Act and the Transmission Licence

The efficiency of the Relevant Interruption claims process would be further increased by claims being subject to a minimum financial threshold value, and thus better facilitate applicable objective (a).

(b) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity.

The modification will better facilitate applicable objective (b), as introduction of timescales on Users to raise and for National Grid to investigate claims will increase the robustness and efficiency of the Relevant Claims process.

(c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

Neutral

These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1

Details of Proposer: (Organisation Name)	National Grid Electricity Transmission plc
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Tariq Hakeem National Grid 01926 655 439 tariq.hakeem@nationalgrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Shafqat Ali National Grid 01926 655 980 shafqat.ali@nationalgrid.com
Attachments (Yes/No):Yes If Yes, Title and No. of pages of each Attachment:	
<ol style="list-style-type: none"> 1) Indicative Legal Text 2) BSSG Position paper 3) BSSG Position paper annex 	