

CUSC Amendment Proposal Form**CAP:142****Title of Amendment Proposal:**

Temporary TEC Exchanges

Description of the Proposed Amendment *(mandatory by proposer):*

CUSC Amendment CAP068 introduced the facility for TEC exchange by means of Exchange Rate Requests to NGET and corresponding Bilateral Agreements between parties. The current arrangements codified in CUSC 6.30.3 only appear to allow TEC trades between parties from the following 1 April on an enduring basis. This product is very inflexible and is probably the reason, as far as the author is aware, it has never been taken up since the modification was introduced. This amendment seeks to introduce a much more flexible approach to TEC exchange such that these can be done between parties within year for variable periods of time as defined in a bilateral agreement. NGET would have a role in identifying the exchange rate applicable between parties as in the current arrangements.

For example, a party with a defined TEC at the beginning of the year may suffer plant problems that restrict the ability to use this TEC for some predetermined time. Under this proposal this additional TEC could be offered to others under the terms of a bilateral agreement and NGET defined exchange rate. The TEC trade would be applicable as soon as the necessary exchange rate has been established and contracts exchanged.

It is envisaged that the party temporarily transferring TEC would continue to pay the TNUOS charges and this may be recovered from the receiving party as part of the bilateral agreement.

Description of Issue or Defect that Proposed Amendment seeks to Address *(mandatory by proposer):*

The existing arrangement for TEC exchanges between parties is a very inflexible product.

Allowing within year changes to allocation of TEC would promote more efficient use of the System.

It may be prove to be a suitable alternative arrangement to mothballing as the TEC does not get relinquished by the transferring party and thus avoids potential difficulties of re-obtaining TEC in the future.

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

This proposal suggests the need to amend Section 6.30.3 with the inclusion of new clauses to allow within year TEC exchanges.

Impact on Core Industry Documentation *(this should be given where possible):*

None anticipated

<p>Impact on Computer Systems and Processes used by CUSC Parties <i>(this should be given where possible):</i></p> <p>Nothing new anticipated.</p>	
<p>Details of any Related Modifications to Other Industry Codes <i>(where known):</i></p> <p>None known</p>	
<p>Justification for Proposed Amendment with Reference to Applicable CUSC Objectives** <i>(mandatory by proposer):</i></p> <p>This proposed modification would enhance the possibilities of the trading of TEC between generators thus furthering the efficient use of the System and better facilitate competition in the generation and supply of electricity.</p>	
<p>Details of Proposer: Organisation's Name:</p>	British Energy
<p>Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "energywatch")</p>	CUSC party
<p>Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:</p>	John Morris BE Power & Energy Trading 01452-653492 john.morris@british-energy.com
<p>Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:</p>	Louise Allport BE Power & Energy Trading 01452-654436 louise.allport@british-energy.com
<p>Attachments (Yes/No): No If Yes, Title and No. of pages of each Attachment: No</p>	