

CUSC Amendment Proposal Form	CAP: 106
<p>Title of Amendment Proposal:</p> <p>Amendment to revise Paragraph 4.5.1 (Indexation – Application) of the CUSC.</p>	
<p>Description of the Proposed Amendment <i>(mandatory by proposer):</i></p> <p>It is proposed that the CUSC be amended to correct inconsistencies in Paragraph 4.5.1 created by an interaction in the legal texts and subsequent implementation of CAP076 and CAP047. The proposal will also in doing this, clarify that Indexation where applicable to System to Generator Operational Intertripping Agreements is mandatory (whereas indexation is optional (to be agreed between National Grid and a User) for any other Balancing Services Agreements.) This was provided for in CAP076, and was, in the view of the proposer, inadvertently overwritten in the implementation of these two Amendment proposals.</p>	
<p>Description of Issue or Defect that Proposed Amendment seeks to Address <i>(mandatory by proposer):</i></p> <p>There was over a year between the Authority’s approval decision on CAP047 and formal amendment of the CUSC to give effect to CAP047. However, during that period CAP076 was approved and implemented. There was an interaction between the legal text in these two proposals in relation to Paragraph 4.5.1 (Indexation – Application) and the precise mechanics of the implementation of CAP047 and CAP076 mean that 4.5.1 no longer reads clearly.</p> <p>National Grid believes that an amendment to Paragraph 4.5.1 should now be made to clarify this text including re-introducing the clarity in CAP076 that Indexation where applicable to System to Generator Operational Intertripping Agreements is mandatory.</p>	
<p>Impact on the CUSC <i>(this should be given where possible):</i></p> <p>Amend Paragraph 4.5.1 (Indexation - Application) to reflect correctly the Authority’s decisions on both CAP047 and CAP076 and in doing so, to clarify that Indexation will be mandatory where applicable to System to Generator Operational Intertripping Agreements.</p>	
<p>Impact on Core Industry Documentation <i>(this should be given where possible):</i></p> <p>None anticipated.</p>	
<p>Impact on Computer Systems and Processes used by CUSC Parties <i>(this should be given where possible):</i></p> <p>None anticipated.</p>	
<p>Details of any Related Modifications to Other Industry Codes <i>(where known):</i></p> <p>None.</p>	
<p>Justification for Proposed Amendment with Reference to Applicable CUSC Objectives** <i>(mandatory by proposer):</i></p> <p>The terms of the Transmission Licence require National Grid to establish and operate procedures for the modification of the CUSC so as to better facilitate achievement of the Applicable CUSC Objectives.</p> <p>Amendment of Paragraph 4.5.1 of the CUSC to reflect properly the Authority decisions on CAP047 and CAP076 would improve clarity and remove uncertainty from the CUSC documentation and hence enable National Grid to more easily and efficiently discharge it’s obligations under the Act and the Transmission Licence and fulfil it’s obligations to facilitate competition in the generation and supply of electricity.</p>	

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Details of Proposer: Organisation's Name:	National Grid Electricity Transmission plc
Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Richard Dunn National Grid Electricity Transmission plc 01926 656211 richard.dunn@ngtuk.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Robert Smith National Grid Electricity Transmission plc 01926 654076 robert.smith@ngtuk.com
Attachments (Yes/No): Yes If Yes, Title and No. of pages of each Attachment: Legal drafting for the amendment of paragraph 4.5.1 (1 page)	

Notes:

1. Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the Amendments Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.
2. The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform the Proposer.

The completed form should be returned to:

Lindsey Paradine
Panel Secretary
Commercial Frameworks
National Grid Electricity Transmission plc
National Grid House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA
Or via e-mail to: CUSC.Team@uk.ngrid.com

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer that is a CUSC Party shall be deemed to have granted this Licence).

3. Applicable CUSC Objectives** - These are defined within the National Grid Company Transmission Licence under Section C10, paragraph 1. Reference should be made to this section when considering a proposed amendment.

4.5 INDEXATION

4.5.1 Application

The provisions of this Paragraph 4.5 shall apply to payments made by NGC to a User pursuant to Paragraphs 4.2A.4(a) and (c) in respect of the provision of System to Generator Operational Intertipping, and

~~The provisions of this Paragraph 4.5 may:-~~

~~4.5.1.1 — ; and~~

~~4.5.1.2 — Paragraphs 4.2A.4(a) and (c) in respect of the provision of **System to Generator Operational Intertipping**.~~

(if agreed between NGC and a User) may be incorporated by reference into any other **Balancing Services Agreement** (other than a **Mandatory Services Agreement**) as a term thereof so as to apply in respect of payments made by NGC to that User in respect of the provision of other **Balancing Services** (other than **Mandatory Ancillary Services**) (but for the avoidance of doubt not so as to thereby create any obligations on NGC and that User under the CUSC in respect thereof).