

| CUSC Amendment Proposal Form | CAP: 074 |
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| Title of Amendment Proposal: Generation Reconciliation Statements – Date Change | |
| Description of the Proposed Amendment <i>(mandatory by proposer):</i> NGC produces Generation Reconciliation Statements in respect of generation related Transmission Network Use of System (TNUoS) Charges to be sent to Users on an annual basis. Previous versions of the CUSC have, in Paragraph 3.12.2 required NGC to produce these by 31st March. This paragraph was erroneously deleted by CAP065, but its reinstatement is proposed by CAP072. However, as a consequence of CAP043, NGC is proposing the introduction of a paragraph (to be numbered 3.13.2, following the implementation of CAP055) that would require NGC to produce Generation Reconciliation Statements by 30th April. | |
| Description of Issue or Defect that Proposed Amendment seeks to Address <i>(mandatory by proposer):</i> Prior to CAP043, User’s annual TNUoS generation liabilities were incurred up to 28th February, giving NGC a clear month to calculate reconciliation amounts. One effect of CAP043 was to extend the period in which liabilities could be incurred to 31st March. Generators with offers for increased TEC can sign these right up until the end of the Financial Year. This means that, in some situations, calculating reconciliation charges and sending these to Users by 31st March may now prove exceptionally difficult, if not impossible. NGC therefore believes that a paragraph should be introduced into the CUSC stating that NGC should produce Generation Reconciliation Statements and send them to Users by 30th April. This would again give a NGC a clear month to calculate reconciliation charges. | |
| Impact on the CUSC <i>(this should be given where possible):</i> CAP074 is interactive with CAP072. The Authority should therefore consider its decision on CAP072 before CAP074. If CAP072 is rejected, CAP074 will add a new paragraph 3.13.2 to the CUSC with consequential re-numbering of subsequent paragraphs. If CAP072 is approved then only the date in 3.13.2 needs to be changed to implement CAP074. Indicative legal text covering these eventualities is provided. | |
| Impact on Core Industry Documentation <i>(this should be given where possible):</i> None. | |
| Impact on Computer Systems and Processes used by CUSC Parties <i>(this should be given where possible):</i> None. | |
| Details of any Related Modifications to Other Industry Codes <i>(where known):</i> CAP072 – Generation Reconciliation Statements | |
| Justification for Proposed Amendment with Reference to Applicable CUSC Objectives** <i>(mandatory by proposer):</i> Introducing this paragraph into the CUSC will enable National Grid to more easily and efficiently discharge its obligations under the Act and the Transmission Licence and fulfil its obligations to facilitate competition in the generation and supply of electricity. | |

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| Details of Proposer: Organisation's Name: | The National Grid Company 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: | Andrew Truswell National Grid Company plc 01926 656388 andrew.truswell@ngtuk.com |
| Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address: | Ben Graff National Grid Company plc 01926 656312 ben.graff@ngtuk.com |
| Attachments (Yes/No): Yes If Yes, Title and No. of pages of each Attachment: Text of proposed Paragraph 3.13.2 if CAP072 is rejected or amendment of date in 3.13.2 if CAP072 is approved. (2 pages) | |

Notes:

- 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.
- 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:

Richard Dunn
Panel Secretary
Commercial Frameworks
National Grid Company plc
NGT 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 C7F, paragraph 15. Reference should be made to this section when considering a proposed amendment.

Text of Paragraph 3.13.2 for insertion into the CUSC if CAP072 is rejected before CAP074 consideration

Following the insertion of the Paragraph below all consequential Paragraphs and references contained therein will be re-numbered accordingly as follows:

| Existing Paragraph | New Paragraph Number |
|--------------------|----------------------|
| 3.13.2 | 3.13.3 |
| 3.13.3 | 3.13.4 |
| 3.13.4 | 3.13.5 |
| 3.13.5 | 3.13.6 |
| 3.13.6 | 3.13.7 |
| 3.13.7 | 3.13.8 |

Reference in the existing Paragraph 3.13.2 to Paragraph 3.13.6 will become a reference to Paragraph 3.13.7.

Reference in the existing Paragraph 3.13.4 to Paragraph 3.13.6 will become a reference to Paragraph 3.13.7.

References in the existing Paragraph 3.13.5 (a) to Paragraphs 3.13.3 and 3.13.5 will become references to Paragraphs 3.13.4 and 3.13.6 respectively.

Reference in the existing Paragraph 3.13.6 (a) (i) to Paragraph 3.13.4 will become a reference to Paragraph 3.13.5.

Reference in the existing Paragraph 3.13.6 (a) (iii) to Paragraph 3.13.6 will become a reference to Paragraph 3.13.7.

Reference in the existing Paragraph 3.13.6 (b) to Paragraph 3.13.6 will become a reference to Paragraph 3.13.7

Generation Reconciliation Statement

- 3.13.2 As soon as reasonably practicable and in any event by 30 April in each **Financial Year** **NGC** shall prepare a generation reconciliation statement (the "**Generation Reconciliation Statement**") in respect of generation related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of generation related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.

Amendment Proposal CAP: ###

Text of Paragraph 3.13.2 for insertion into the CUSC if CAP072 is approved before CAP074 consideration

Generation Reconciliation Statement