

CUSC Modification Proposal Form		At what stage is this document in the process?								
<h1 style="margin: 0;">CMP313:</h1> <h2 style="margin: 0;">Critical Friend review period for submission of new modifications</h2>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid #ccc; border-radius: 5px; width: 30px; text-align: center; font-weight: bold;">01</td> <td style="border: 1px solid #ccc; border-radius: 5px; background-color: #00a651; color: white; text-align: center; font-weight: bold;">Proposal Form</td> </tr> <tr> <td style="border: 1px solid #ccc; border-radius: 5px; width: 30px; text-align: center; font-weight: bold;">02</td> <td style="border: 1px solid #ccc; border-radius: 5px; text-align: center; font-weight: bold;">Code Administrator Consultation</td> </tr> <tr> <td style="border: 1px solid #ccc; border-radius: 5px; width: 30px; text-align: center; font-weight: bold;">03</td> <td style="border: 1px solid #ccc; border-radius: 5px; text-align: center; font-weight: bold;">Draft CUSC Modification SG Report</td> </tr> <tr> <td style="border: 1px solid #ccc; border-radius: 5px; width: 30px; text-align: center; font-weight: bold;">04</td> <td style="border: 1px solid #ccc; border-radius: 5px; text-align: center; font-weight: bold;">Final CUSC Modification SG Report</td> </tr> </table>		01	Proposal Form	02	Code Administrator Consultation	03	Draft CUSC Modification SG Report	04	Final CUSC Modification SG Report
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<p><b>Purpose of Modification:</b> This modification seeks to codify a requirement for new modifications to be submitted to the National Grid ESO Code Administrator for a period of five working days ahead of when the modification is to be submitted to the CUSC Panel. This period will allow the Code Administrator to deliver a better service and in turn allow all network users to better understand code modifications.</p>										
	<p><b>The Proposer recommends that this modification should be:</b></p> <ul style="list-style-type: none"> <li>subject to self-governance</li> <li>proceed to Consultation</li> </ul> <p>This modification was raised on <b>21 03 2019</b> and will be presented by the Proposer to the Panel on <b>29 03 2019</b>. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p>									
	<p><b>High Impact:</b> None identified.</p>									
	<p><b>Medium Impact:</b> National Grid ESO Code Administrator.</p>									
	<p><b>Low Impact:</b> All parties seeking to raise a modification to the CUSC and the CUSC Panel.</p>									

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<b>Timetable</b>	
<b>The Code Administrator recommends the following timetable:</b>	
Modification presented at the CUSC Panel	29 March 2019
Code Administration Consultation issued to the Industry (20 working days)	5 April 2019/8 May 2019
Draft CUSC Modification Self-Governance Report presented to Panel	23 May 2019
Modification Panel Self-Governance vote	31 May 2019
Appeal window opens (15 working days)	10 June 2019/1 July 2019
Decision implemented in CUSC (10 working days following appeal window closure)	16 July 2019

 **Any questions?**

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**Proposer Details**

<b>Details of Proposer:</b> (Organisation Name)	National Grid Electricity System Operator
Capacity in which the CUSC Modification Proposal is being proposed: (e.g. CUSC Party)	The Company
<b>Details of Proposer's Representative:</b>  Name: Organisation: Telephone Number: Email Address:	Chrissie Brown National Grid ESO 01926 65 3328 <a href="mailto:Christine.brown1@nationalgrid.com">Christine.brown1@nationalgrid.com</a>
<b>Details of Representative's Alternate:</b>  Name: Organisation: Telephone Number: Email Address:	
<b>Attachments (Yes/No): No</b> <b>If Yes, Title and No. of pages of each Attachment:</b>	

**Impact on Core Industry Documentation.**

<b>BSC</b>	<input type="checkbox"/>
<b>Grid Code</b>	<input checked="" type="checkbox"/>
<b>STC</b>	<input checked="" type="checkbox"/>
<b>Other</b>	<input type="checkbox"/>

Modifications will be raised across the three codes that we administer in March 2019.

# 1 Summary

## Defect

The National Grid Electricity System Operator Code Administrator does not have sufficient time when a modification is raised to carry out their Critical Friend duties to deliver a better service to raise the quality of modifications. Providing a Critical Friend review is a principle of the Code Administrator Code of Practice (CACoP) that ensures all modification submitted to Panel are fit for purpose.

## What

The CUSC needs to be amended to allow time for the critical friend review between the submission of a modification and when the modification is submitted to the Panel.

## Why

We provide our Critical Friend service for all modifications to the Grid Code, System Operator Transmission Owner Code and Connection and Use of System Code. We recognise that this can be and will be carried out (should this modification be approved) to an even higher standard and that we need to ensure consistently across every modification raised. This includes meeting the expectations of network users, improving the accessibility of modifications and the ease in which they can understand modifications and impacts.

We have spoken and listened to our customers and have heard that:

- there is a need to have defects (the issue) outlined in plain English so all can understand the intent and issue that has been raised
- the defect needs to be clear so that all can understand whether they can raise any other potential solutions to the issue in hand
- consumer impacts are not populated at times or when they are they are not clear
- impacts or potential impacts are not clear to all parties when a modification is raised
- governance routes can be confusing, and Proposers do not fully understand the options when submitting their Proposal forms
- modifications are raised when other routes for the issue could be considered
- modification titles can be confusing and do not fully represent the effect of a modification

We believe that having five working days between receiving a modification and publishing it for industry and the Panel to review will provide sufficient time to feedback on Proposal forms received and ensure there is a step change in the quality of the modifications that then proceed through the modification process.

Our Code of Practice outlines the following:

## Principle 1: Code Administrators shall be critical friends

*Helping all new and existing energy market users effectively frame and develop Modifications.*

*Proactively reviewing and commenting on draft Modifications.*

This modification will underpin this Principle and ensure that we improve our service in this area.

### How

The CUSC will be updated to outline that modifications are required to be submitted to us for a period (5 working days) ahead of the Panel papers day.

## 2 Governance

### Justification for Self-Governance Procedures

This modification will not have a material impact on the Governance procedures to the extent outlined within the Materiality Guidance produced by Code Administrators. This modification will have an impact on the Governance procedures by codifying that modifications are submitted ahead of papers day for the Panel.

**Self-Governance - The modification** is unlikely to discriminate between different classes of CUSC Parties and is unlikely to have a material effect on:

- i) Existing or future electricity customers;
- ii) Competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity,
- iii) The operation of the National Electricity Transmission System
- iv) Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies
- v) The CUSC's governance procedures or the CUSC's modification procedures

### Requested Next Steps

This modification should:

- be subject to self-governance
- proceed to Consultation

## 3 Why Change?

Amendments to our codes are at the highest level that they have ever been. Industry need to understand what the potential impacts of the modifications are going to be as soon as they are raised, what the Consumer impacts are and also clearly understand the

issue and intent. This modification will unlock and facilitate this ensuring a step change in the quality of modifications being tabled at our Panels.

## 4 Code Specific Matters

### Technical Skillsets

None.

### Reference Documents

[The Code Administrators Code of Practice](#)

[Materiality Guidance](#)

## 5 Solution

When assessing whether to raise this modification we attended the CUSC Issues Standing Group (CISG) to gain feedback on the best way forward with regard to the defect.

The feedback received was that those who attended believed that there was a defect (or issue) to be addressed and there was broad support for making the amendment to the Codes.

We outlined some options in terms of the way to proceed and carried out the same exercise at the Grid Code Development Forum (GCDF).

We listened to the views on the potential way forward and concluded that due to the inconsistency in terms of approach from different customers this modification would codify the requirement and we believe this is the best way forward to ensure consistency and to make the step change required.

We carried out some research with other Code Administrators from a best practice point of view and concluded that no other code allows a modification to be raised and submitted to their Panels on the same day (other than via the Urgency route) The amount of time requested is not consistent, some request five working days, some three and a half.

Therefore, we conclude that we see the best way forward is to propose a solution of five working days for our Codes.

Please note that this modification will not seek to amend the Urgency area of the Governance Rules.

## 6 Impacts & Other Considerations

This modification will have an impact on the System Operator Transmission Owner Code (STC) and the Grid Code as we will ensure that there is a consistent process across all of our Codes, so modifications will be raised across all three codes concurrently.

## Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

No.

### Consumer Impacts

This modification will have an indirect impact on the Consumer. The modification should ensure that the quality of modifications increases which will unlock understanding of modifications. This in turn should increase contribution to our processes and therefore drive forward the raising of modifications for the ultimate benefit of those paying – the Consumer.

## 7 Relevant Objectives

### Impact of the modification on the Applicable CUSC Objectives (Standard):

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	None
(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;	None
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	None
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive This modification will have a positive impact in the efficiency of the Governance arrangements outlined within the CUSC.
*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).	

## 8 Implementation

The Proposer recommends that this modification is implemented 10 working days following the closure of the appeal window following the Panel Self-Governance vote at the May 2019 Panel meeting. This modification will not have any implementation costs associated with it.

## 9 Legal Text

Please see below.

### **CUSC**

8.16.8 Subject to Paragraphs 8.8.6, 8.29 and 8.17B, where the CUSC Modification Proposal is received more than 10 (ten) ~~5 (five)~~ Business Days prior to the next CUSC Modifications Panel meeting, the Panel Secretary shall place the CUSC Modification Proposal on the agenda of the next CUSC Modifications Panel meeting and otherwise shall place it on the agenda of the next succeeding CUSC Modifications Panel meeting.

## 10 Recommendations

Panel is asked to:

- Agree that Self Governance procedures should apply
- Issue this modification directly to Consultation