

<b>CUSC Amendment Proposal Form</b>	<b>CAP:086</b>
<p><b><i>Title of Amendment Proposal:</i></b></p> <p><b>Proposal for earlier consideration of implementation dates.</b></p>	
<p><b><i>Description of the Proposed Amendment (mandatory by proposer):</i></b></p> <p>NGC are already required to include details of implementation timescales within each CUSC Amendment report. This proposal would specify an obligation within section 8 of the CUSC for NGC to consult CUSC Users regarding such dates. It is proposed that consultation on the implementation date will form part of the Amendment Consultation. As such we anticipate that only minor changes will be required in order to facilitate this Amendment.</p> <p>Currently, where the CUSC Amendments Panel directs (subject to 8.17.7 of the CUSC) a Working Group may consider a potential implementation date. It is proposed that where this date differs from that recommended by NGC, the consultation document should consult upon both options. The Final Amendment Report would contain reference to the suggestions from respondents along with the recommendations of both the Working Group and NGC. This will enable the Authority to fully consider which implementation date is the most appropriate.</p>	
<p><b><i>Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer):</i></b></p> <p>Currently Section 8.20.3 of the CUSC requires NGC to circulate a draft copy of the Amendment Report to CUSC Parties and Panel Members with a minimum consultation period of 5 Business Days. Whilst we recognise that this allows an opportunity for CUSC Parties to comment upon the proposed implementation date, it does not allow NGC sufficient time to take account of concerns regarding that date. We also believe that it doesn't necessarily allow sufficient time for Users to identify potential problems with the date, provide a rationale behind their concerns and present information which may enable the Authority to make a fully informed decision.</p> <p>We believe that the implementation date is a fundamental aspect of any Code Amendment which can have significant commercial impacts upon CUSC Parties. As such, the implementation date should be subject to the same level of rigour and scrutiny as the proposal itself. We believe this proposal to be consistent with both the requirements of the current licence conditions and the recent Ofgem decision for CAP077.</p>	
<p><b><i>Impact on the CUSC (this should be given where possible):</i></b></p> <p>This amendment is likely to require revision to Section 8 of the CUSC.</p>	
<p><b><i>Impact on Core Industry Documentation (this should be given where possible):</i></b></p> <p>None foreseen.</p>	
<p><b><i>Impact on Computer Systems and Processes used by CUSC Parties (this should be given where possible):</i></b></p> <p>None foreseen.</p>	
<p><b><i>Details of any Related Modifications to Other Industry Codes (where known):</i></b></p> <p>None foreseen.</p>	

**Justification for Proposed Amendment with Reference to Applicable CUSC Objectives\*\***  
(mandatory by proposer):

- **The efficient discharge by National Grid of the obligations imposed on it by the Act and the Transmission Licence;**

We believe that this CUSC Amendment will better facilitate the achievement of this objective by enabling at least three improvements.

i) Standard Licence Condition **C10.6(b)(v)** states that the licensee must prepare a CUSC report which includes *“setting out a timetable for implementation of the modification and any alternative, including the date with effect from which such modification (if made) is to take effect; and.....to be such as will enable the modification to take effect as soon as practicable after the Authority has directed such modification to be made, account being taken of complexity, importance and urgency of the modification”*(**C10.6 (c)**). We believe that this process will better enable NGC to assess the complexity, importance and urgency associated with the implementation date through better consultation with CUSC Users.

ii) Standard Licence Condition **C10.12** states that the licensee must *“take all reasonable steps to secure and implement (consistently with the procedures applicable under or in relation to such documents), and shall not take any steps to prevent or unduly delay, changes to the core industry documents to which it is a party (or in relation to which it holds rights in respect of amendment), such changes being changes which are appropriate in order to give full and timely effect to and/or in consequence of any modification which has been made to the CUSC.”* We are unsure how NGC can be satisfied that they have not ‘unduly delayed’ an amendment without considering the impact upon CUSC Users. Furthermore, given the recent Authority decision for CAP077 it seems appropriate for NGC to consult on CUSC implementation dates in order to facilitate consistency between the Amendments process and that designed for Appealed Amendments. Therefore consultation should better facilitate the achievement of this obligation.

iii) Standard Licence Condition **C3.4(b)(v)** refers to the BSC Report. It must be noted that the wording of the licence condition referring to the implementation timetable is exactly the same as that for the CUSC obligation. This suggests that there is no reason why the licence condition should not be interpreted in the same way as the BSC, where implementation dates form an important part of the consultation process. We believe that this proposal would better facilitate the applicable objectives by ensuring a consistent application of the obligations placed on NGC by the Act and the Transmission Licence.

- **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.**

Given that implementation timescales can have a significant impact upon the materiality of a particular amendment, either to individual Users or across the industry, it is essential that the Authority have access to industry information relating to the suggested implementation date. We also believe that consultation will alleviate concerns arising from a potential scenario where a conflict of interest exists between Users and NGC. Ensuring that the suggested implementation timescale has been derived by means of an equitable process will enhance confidence in the arrangements and will thereby better facilitate competition.

<b>Details of Proposer:</b> Organisation's Name:	E.ON UK plc
<b>Capacity in which the Amendment is being proposed:</b> (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
<b>Details of Proposer's Representative:</b> Name:  Organisation:  Telephone Number:  Email Address:	Neil Smith  E.ON UK plc  02476 424369  neil.c.smith@eon-uk.com
<b>Details of Representative's Alternate:</b> Name:  Organisation:  Telephone Number:  Email Address:	Paul Jones  E.ON UK plc  02476 424829  paul.jones@eon-uk.com
<b>Attachments (Yes/No): NO</b> <b>If Yes, Title and No. of pages of each Attachment: N/A</b>	

**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 Development  
National Grid Company plc  
National Grid House  
Kirby Corner Road  
Coventry, CV4 8JY  
Or via e-mail to: [CUSC.Team@uk.ngrid.com](mailto: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).

- 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.