## **CUSC Amendment Proposal Form**

**CAP:128** 

## **Title of Amendment Proposal:**

Removal of Section 10 - Transitional Issues

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

It is proposed to remove Section 10 (Transitional Issues) of the CUSC. This relates to issues arising out of the transition from the MCUSA., this is no longer required as MCUSA was replaced in 2001.

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

Remove Section 10 (Transitional Issues) of the CUSC. This relates to issues arising out of the transition from the MCUSA., this is no longer required as MCUSA was replaced in 2001 by the CUSC.

Consequently, this is section is no longer required.

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

The CUSC will require the deletion of Section 10 and replacing with "Not Used", and the following amendments to CUSC Introduction, Sections 1, Section 7

#### **CUSC Introduction**

9 Section 10 deals with certain transitional issues and where its provisions provide for a different approach in relation to a particular Paragraph, they take priority over that Paragraph in accordance with the terms of Section 10.

Following paragraph changed from number 10 to number 9

10.9 For ease of reference, a list of the Core Industry Documents as at the CUSC Implementation Date is as follows:

- (a) Grid Code
- (b) MCUSA
- (c) Supplemental Agreements
- (d) Ancillary Services Agreements
- (e) Master Registration Agreement
- (f) Data Transfer Services Agreement
- (g British Grid Systems Agreement
- (h) Use of Interconnector Agreement
- (i) Pooling and Settlement Agreement
- (j) Settlement Agreement for Scotland
- (k) Distribution Codes
- (I) Distribution Use of System Agreements
- (m) Distribution Connection Agreements
- (n) Relevant Replacement Documents

## Section 1

1.2.3 Section 1, Sections 5 to 8 and Sections 10 and 11 of the CUSC apply to all categories of connection and/or use, and therefore should be complied with by all Users, subject as specifically provided in those Sections. Section 4 of the CUSC applies to Users who provide Balancing Services to The Company, and contains its own provisions on applicability to such Users.

#### Section 7

7.1.1 This section of the CUSC sets out how disputes under the CUSC, Bilateral Agreements, Mandatory Services Agreements and Construction Agreements are to be dealt with.

Section 10 deals with the treatment of disputes which arise in relation to periods prior to the amendment of the MCUSA, Supplemental Agreements and certain Ancillary Services Agreements (to the extent relating to the Mandatory Ancillary Services.

## CUSC - SECTION 10 Replace with "Not Used"

## **TRANSITIONAL ISSUES**

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## **CUSC - SECTION 10**

## **TRANSITIONAL ISSUES**

#### 10.1 INTRODUCTION

This Section 10 deals with issues arising out of the transition from the MCUSA, and associated documents to the CUSC. Each paragraph deals with an issue that arises, although certain paragraphs would affect other paragraphs within this Section 10 as provided therein.

## 10.2 MCUSA/CUSC DISPUTES

10.2.1 This Section sets out the process for dealing with disputes which relate to a period prior to the introduction of the CUSC and those disputes which relate to the period after the introduction of the CUSC. A dispute which covers a period prior to the introduction of the CUSC is known as a "MCUSA Dispute", and a dispute which covers a period after the introduction of the CUSC is known as a "CUSC Dispute".

#### 10.2.2 MCUSA Dispute

A MCUSA Dispute will be dealt with in accordance with the provisions of the MCUSA dispute resolution provisions which comprise the process under Clause 14.7 of the MCUSA and the provisions of Clause 26 of the MCUSA (and the equivalent provisions in the relevant Supplemental Agreements).

## 10.2.3 CUSC Disputes

A CUSC Dispute will be dealt with in accordance with the provisions of Section 7 of the CUSC.

- 10.2.4 Where a dispute involves issues relating to both the pre CUSC period and the period after the CUSC Implementation Date, then the issues relating to the pre CUSC period will be determined as a "MCUSA Dispute" and the issues relating to the period after the CUSC Implementation Date shall be determined as a "CUSC Dispute".
- 10.2.5 Generally, the introduction of the CUSC by amending the MCUSA into the CUSC Framework Agreement, the various Bilateral Agreements, the

Mandatory Services Agreements and related documents does not affect or prejudice the rights and obligations of parties in relation to the MCUSA prior to the creation of the CUSC.

#### 10.3 OUTSTANDING OFFERS/CONSTRUCTION

#### 10.3.1 Construction Completed

Where construction is completed there will not be a separate Construction Agreement, but the existing Supplemental Agreement (and any Agreement for Construction Works) in relation to construction elements (including the Operational Notification, as that term is defined in the relevant Supplemental Agreement) (and with any necessary changes to reflect that it solely reflects construction related issues) will be regarded as a continuing "deemed" Construction Agreement (and the definition of Construction Agreement shall be construed to include such deemed agreements), with the User also having a new Bilateral Agreement.

#### 10.4 SUPPLEMENTAL AGREEMENT - EXISTING VARIATIONS

- 10.4.1 In relation to certain existing Supplemental Agreements, variations to the standard Supplemental Agreement Type provisions have been agreed in accordance with the provisions of the MCUSA (which are different to those changes made pursuant to the NETA Implementation Scheme Part C). Accordingly, given that the exercise of creating the CUSC has been to codify the existing provisions, those variations have been reflected in relation to the relevant User by the inclusion of an additional clause in the relevant Bilateral Agreement (or where there is no Bilateral Agreement, in an exchange of letters between The Company and the relevant User). Insofar as those variations are set out, then the specified provisions of the CUSC will be overridden by those variations.
- 10.4.2 Insofar as there is a future change to the CUSC in accordance with the Transmission Licence and the provisions of Section 8 which specifically addresses the issue so dealt with, and specifically provides that those provisions themselves would be overridden by the amendment to the CUSC, then the relevant provisions in the Bilateral Agreement (or letter) would be so varied by that CUSC amendment.
- 10.4.3 For the avoidance of doubt, the variations specified in this section will only apply to the position under an existing Supplemental Agreement as at the CUSC Implementation Date, if after that date an issue arises for a new connection and/or use which is dealing with the same type of issue, it will not lead to a similar approach being adopted in that relevant Bilateral Agreement (or in relation to use of system without a Bilateral Agreement). Namely the provisions of this Paragraph 10.4 are intended only to deal with the issues arising on implementation of the CUSC and do not provide an ongoing mechanism.

## 10.5 OUTTURNING

Under the provisions of the existing Supplemental Agreements and Agreements for Construction Works to effect a Modification at a Connection Site The Company is entitled to charge Connection Charges based on an estimate of the cost of the Transmission Connection Asset Works. The Company then has an obligation to carry out an outturn reconciliation process to determine the final cost of carrying out these works. Notwithstanding the provision in Paragraph 2.14.3(c) of the CUSC requiring the Cost Statement to be provided within one year of the Completion Date The Company and each relevant User acknowledge that this has proven impractical on a number of completed schemes and agree that the words "and in any event within one year thereof" shall not apply in respect of all schemes completed prior to 31 March 2000.

## 10.6 PRE-CUSC VOTING OF AMENDMENTS PANEL

10.6.1 The process undertaken immediately prior to the introduction of CUSC to put in place the Panel Members and Alternate Members elected by Users of the first Amendments Panel, although

undertaken before the relevant provisions were in force, is agreed by CUSC Parties to constitute the appointment of the first set of Panel Members and Alternate Members elected by Users under the CUSC.

10.6.2 The terms of office of such Panel Members and Alternate Members elected by Users will be deemed to have begun on the CUSC Implementation Date.

#### **END OF SECTION 10**

**Impact on Core Industry Documentation** (this should be given where possible): None anticipated

Impact on Computer Systems and Processes used by CUSC Parties (this should be given where possible):
None anticipated

**Details of any Related Modifications to Other Industry Codes** (where known):

N/A

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

National Grid believes that this proposal will better facilitate CUSC Applicable Objective (a) (The efficient discharge by the licensee of the obligations imposed upon it under the Act and by the Transmission Licence). The removal of the redundant clauses within the CUSC will prevent confusion when new and existing Users of the CUSC.

<b>Details of Proposer:</b> Organisation's Name:	National Grid
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 01926 656388 Andrew.truswell@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Emma Carr National Grid 01926 655843 Emma.j.carr@uk.ngrid.com

Attachments (Yes/No): If Yes, Title and No. of pages of each Attachment:

No

#### 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:

Beverley Viney
Panel Secretary
Commercial Frameworks
National Grid
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Or via e-mail to: Beverley. Viney@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.