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*Promoting choice and
value for all customers*

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30 July 2009

Dear Alison,

Access related CUSC Amendment Proposals

On 15 July the government's Renewable Energy Strategy was published¹. In this document, the Secretary of State announced his intention to take on powers under the Energy Act 2008, to facilitate reform of the transmission access arrangements. We understand that the Secretary of State intends to consult on the principles of a model for grid access this summer.

As we set out in the letter from Lord Mogg to the Secretary of State on 25 June 2009 we plan to keep under review the timing of our further work on the access-related CUSC Amendment Proposals (CAPs) which are currently with the Authority for a decision. Amongst other things, this is to avoid the resource burden associated with processes running in parallel given the potential for duplication of work. We are also keen to avoid a situation where we take decisions on CUSC Amendment Proposals without being able to take account of the approach being taken by the Secretary of State.

For the avoidance of doubt, we will keep under review the timing of our work of the following CAPs:

- "CAP148 – Deemed Access Rights to the GB Transmission System for Renewable Generators"
- "CAP161 – System Operator Release of Short term Entry Rights"
- "CAP162 – Entry Overrun"
- "CAP163 – Entry Capacity Sharing"
- "CAP164 – Connect and Manage"
- "CAP165 – Finite Long-term Entry Rights"
- "CAP166 – Long Term Entry Capacity Auctions"
- "CAP167 – Definition of a threshold(s) associated with the request for a Statement of Works"
- "CAP168 – Under-use and Reallocation of TEC"

¹ http://www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx

We will review the timing of our work on these CAPs again following publication of the Secretary of State's consultation document. If, once we received clarity on the scope of the Secretary of State's work it is appropriate for Ofgem to progress work on some or all of the aforementioned CUSC Amendment Proposals, we will contact you again setting out our intended next steps and the timetable for these steps.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stuart Cook', with a long horizontal line extending from the end of the signature.

Stuart Cook
Director, Transmission

Cc CUSC Panel members - (Paul Jones (E.ON), Paul Mott (EDF Energy), Barbara Vest (AEP), Bob Brown (Cornwall Energy Consulting), Garth Graham (Scottish and Southern), Dave Wilkerson (Centrica), Tony Dickey (Npower), Simon Lord (First Hydro), Hugh Conway.