

Codes Summary - May 2013

This document provides a summary as to latest developments concerning the various other Industry Codes. Further detailed information can be found at:
<http://www.nationalgrid.com/uk/Electricity/Codes/>

CUSC

CMP201 Removal of BSUoS charges from generation.

CMP201 proposes that Balancing Services Use of System (BSUoS) charges, which are currently charged to all liable CUSC parties on a non -locational MWh basis, are removed from GB generators. This will effectively align the GB 'generation stack' with those in other EU markets, thus facilitate equitable competition with generation in other EU markets which are not subject to such charges.

Following the 'send back' of the final CMP201 Report by Ofgem, the CMP201 Workgroup reconvened and a second Workgroup Report was compiled and presented to the CUSC Modifications Panel. It was agreed that a second Code Administrator Consultation would be published and for the Panel to re-vote prior to the final report being re-submitted to the Authority.

On the 26 April The Panel voted by majority that the CMP201 Original and both Workgroup Alternative CUSC Modifications better facilitate the Applicable CUSC Objectives and so should be implemented. There was a majority preference for the Original Proposal to be implemented.

CMP217 – Clarification of the CUSC “Interruption Payment” and “Interruption Period” definitions

CMP217 proposes clarifying the 'Interruption Payment' and 'Interruption Period' definitions, which are set out in Section 11 of the CUSC, in order to allow the calculations set out by the legal text to be more easily derived.

CMP217 was presented to the CUSC Modifications Panel on 25 January 2013 and the CUSC Modifications Panel agreed that CMP217 should progress as Self Governance and for it to proceed straight to Code Administrator Consultation. On the 22nd March the CUSC Panel voted unanimously that CMP217 better facilitates the Applicable CUSC Objectives and so should be implemented. The appeal window for CMP217 started on 22 March and closes on the 16 April 2013. Subject to any appeals, CMP217 will be implemented on 1 May 2013.

CMP218 – Changes required for use of new banking product to hold Users' cash securities

CMP218 seeks to amend the CUSC to facilitate the use of a new banking product by NGET to hold security provided by Users. The new banking product uses "virtual client accounts" to hold the security and interest which will have a number of administrative benefits: it would remove the need to create a new account for each User that provides security; it would allow refunds of security and interest to be provided more quickly than under the current arrangements.

CMP218 was presented to the CUSC Modifications Panel on 22 March and the CUSC Modifications Panel agreed that CMP218 should progress through the Self Governance route. However, the Panel raised some queries and it was agreed that the queries would be clarified prior to proceeding to Code Administrator consultation.

BSC

P291 (REMIT Inside Information Reporting Platform for GB Electricity) was raised by SSE on 30 January 2013, and proposes to use the Balancing Mechanism Reporting System (BMRS) as a platform to publish the necessary information to meet the requirements of REMIT inside information reporting for the GB electricity sector. The [Assessment Procedure consultation](#) was issued on 29 April, and invites the views of market participants on two different solutions, one of which would enhance existing Grid Code data flows (OC2 data, Physical Notifications and Maximum Export Limits) to include additional data required for REMIT purposes. The consultation closes at 5pm on Tuesday 21 May.

EU Transparency Regulation – The [draft Transparency Regulation](#) is currently in comitology, and is expected to come into force in Q2 2013 (after which market participants will have eighteen months for implementation). On 29 April 2013 National Grid raised BSC Standing Issue 47, to consider what modifications to GB industry codes are appropriate to implement the Regulation. Although the focus of the issue Group will be on the BSC, ELEXON anticipates that the discussion is likely to identify potential Grid Code changes that will need to be considered under Grid Code governance.

Operational Forum

The Electricity Operational Forum took place on Wednesday 10 April. Attendees received an update on operational costs and BSUoS forecasting as well as latest developments on the System Operator Incentives scheme. There were also presentations on the Summer Outlook report, Space Weather, the Electricity Ten Year Statement (ETYS) and Managing Frequency (RoCoF).