Codes Summary

This document provides a summary as to the latest developments, which are happening on the various Industry Codes:

CUSC

The next meeting of the CUSC Amendment's Panel is scheduled for 25th November 2005.

BSC

BSC Panel Meeting 28 October 2005

The BSC Panel Meeting covered:

Modification P195 Neutrality for CCGT BMUs Switching between Gas and Distillate. Panel confirmed the recommendation to the Authority that the proposed Modification should not be made.

BSC Panel Meeting 11 November 2005

The BSC Panel Meeting covered:

Modifications Progess

P191 Revised definition of Balancing Mechanism Unit to include Power Park Module. The Panel confirmed the recommendation to the Authority that the Proposed Modification should be made.

Modification P194 Revised definition of the 'Main' Energy Imbalance Price Assessment Report. Panel agreed that the Proposed Modification should not be made. Draft Modification report to be submitted to the December Panel.

Fuel Security Code

Panel agreed to raise a Modification Proposal to reflect the changes to the Fuel Security Code.

Grid Code

The next Grid Code Review Panel meeting is currently planned for 24th November.

Consultation E/05 - Proposed Changes to Grid Code OC8B in relation to site specific safety instructions - was sent out on 7 November with responses required by 9 December.

Consultation H/05 - OC2 'Phase 2 Short Term' Proposals: Provision of Outage Data by Generators at a Generating Unit Level - was sent out on 7 November with responses required by 9 December. It follows on from consultation B/05 which proposed a similar change that was rejected by the Authority on the grounds that it would result in the provision of outage data from Power Park Modules at a Power Park Module level. As this was not the intention of the amendment National Grid is re-consulting on the issue but clarifying that for Power Park Modules, outage data should continue to be provided at the Power Park Module level and not at a Power Park Unit level.

The Relevant Electrical Standards (RES) document consultation has closed. After consideration of the consultation responses National Grid has proposed further changes to the original text of the RES document. These changes will be discussed at the next GCRP meeting. One proposed change clarifies that the RES document is to apply only to England and Wales and as such references to the "GB Transmission System" within the RES document have been amended to the "Transmission System in England and Wales".

Two papers associated with Safety management are also being discussed at the GCRP. The first paper considers the situation where there is no formal process to recognise the time and

date when subsequent changes to a Site Responsibility Schedule become effective between all parties. At the point two systems are defined as being able to be connected together (readily connectable) there is a requirement within the Electricity at Work Regulations 1989 (Guidance notes) for them to be classified as one system. However, there is no formal process for defining exactly when a planned Site Responsibility Schedule becomes effective.

The second is concerned with when equipment on a third parties system is not substantially built and cannot provide any Isolation / earthing, there is no method of recording the fact that there is a 'No system connection' on a Record of Inter-System Safety Precautions (RISSP) form. It is proposed to define the term 'No System connection' in the Glossary and Definitions of the Grid Code and amend the Grid Code OC8A 5.4 and appendix A (RISSP Proforma) to include a facility for the recording of a 'No system connection'. Both of the above changes have previously been discussed at the STC Safety Committee.

Charging

Update from CHUG meeting to be provided.

AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

As at 11th October 2005

This document contains the Amendment Registers for the CUSC, STC, BSC, TCMF & Grid Code and is correct as of the above date.

The most up to date versions may be found at the following websites:

STC: www.nationalgridinfo.co.uk/stc/mn_amend_reg.html

CUSC: www.nationalgridinfo.co.uk/cusc/mn_ammendment_progress.asp?type=Amendment_Register

BSC: www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx

TCMF: www.nationalgridinfo.co.uk/charging/mn_tcmf.html

Grid Code: www.nationalgridinfo.co.uk/grid_code/mn_gcrp_business.html

All documents referred to in the Amendment Register are available on the National Grid STC website.

CA015 Altering the Notification Period for STC Committee Meetings

ProposerNational GridSubmitted17/08/05SubmittedNormal

Priority

Amendment Description

This proposal proposed that notice of the STC Committee Meeting and all paperwork (including the agenda) pertaining to the meeting be supplied to Committee Members at a common time. In line with other Industry Codes e.g. CUSC and BSC, it is proposed that this be set as five business days prior to the date of the Committee Meeting.

Current status and progress

CA015 was presented and discussed at the August Committee Meeting. National Grid indicated it wished to withdraw CA015 on 24/08/05. CA015 was formally withdrawn on 2nd Friday 2005, there was no support for the Amendment Proposal from any other STC Party.

Change of Company Name for National Grid Company plc (NGC) and consequential Amendments to the STC

Proposer National Grid Submitted 12/07/05 Submitted Normal Priority

Amendment Description

CA014

At National Gird Transco's Annual General Meeting (held on 25th July), shareholders approved a motion to change the name of the group to that of National Grid plc, with effective from 27th July 2005.

Due to the potential similarity between the group name National Grid plc and the holder of the Transmission Licence, National Grid Company plc, at the same time the group name was changed, National Grid Company plc was renamed National Grid Electricity Transmission plc.

This proposal proposes that the definition of NGC currently used within the STC and all occurrences of it within the STC are therefore updated.

Current status and progress

CA014 was presented to the July Committee Meeting. The Committee decided that CA014 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th August 2005 and comments requested by 16th August 2005. The Committee agreed the Amendment Report on 24th August 2005. The Amendment Report was submitted to Ofgem on 26th August 2005. Authority approved CA014 on 16th September, for implementation on 23rd September 2005.

Date of Issue: 3rd October 2005

CA013 TEC Exchange Rate Request Process

Proposer National Grid Submitted 18/05/05 Submitted Normal Priority

Amendment Description

This amendment proposes that the STC be modified to clarify the process to be followed and the obligations on NGC and each Transmission Owner (TO) under the STC to jointly liaise in the preparation of a TEC Exchange Rate. This would occur when a TEC Exchange Rate Request is received from CUSC Parties, one or both of whom is sited in the licensed area or within the boundary of influence of a Transmission Owner.

Current status and progress

CA013 was presented to the May Committee meeting. The Committee decided that CA013 should proceed to the Assessment & Report Phase. STC Parties to provide their impact and assessment analysis by 5th August 2005. Outstanding impact and assessment analysis to be submitted by 2nd September. STC Committee agreed the content and format of the Proposed Amendment Report at September's Committee Meeting. Proposed Amendment Report circulated to the industry for comment on 27th September 2005. Responses to be received by 11th October 2005. Draft version of Amendment Report to be present to STC Committee Meeting in October for review/comment/approval.

CA012 STC – Table of Contents

Proposer National Grid Submitted 12/04/05 Submitted Normal Priority

Amendment Description

Insert Heading I14 and associated wording in the Table of Contents Document.

Recent authority direction in relation to EELPS inserted paragraph I14 into the STC but did not add the corresponding heading into the Table of Contents Document.

Current status and progress

CA012 was presented to the April Committee meeting. The Committee decided that CA012 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA011 STC – Table of Contents

Proposer National Grid Submitted 12/04/05 Submitted Normal Priority

Amendment Description

Insert Heading G20 and associated wording in the Table of Contents Document.

Recent authority direction in relation to Schedule 3 inserted paragraph G20 into the STC but did not add the corresponding heading into the Table of Contents Document.

Current status and progress

CA011 was presented to the April Committee meeting. The Committee decided that CA011 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA010

Schedule 3 - Amendment to paragraph 2.5.1

Proposer

National Grid

Submitted

12/04/05

Submitted

Priority

Amendment Description

Reference to 'Construction Agreement' should be amended to 'TO Construction Agreement'.

Amending incorrect terminology within Schedule 3, paragraph 2.5.1

Current status and progress

CA010 was presented to the April Committee meeting. The Committee decided that CA010 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

Normal

CA009

Schedule 3, - Amendment to Paragraph 2.3.2 - Incorrect cross referencing

Proposer

National Grid

Submitted

12/04/05

Submitted

Normal

Priority

Amendment Description

Cross-reference should be amended to refer to sub-paragraphs 2.4.7(a) - (g), not 2.4.6(a) - (g).

Reference to sub-paragraphs 2.4.6 (a) - (g) will be corrected to read 2.4.7 (a) to (g).

Current status and progress

CA009 was presented to the April Committee meeting. The Committee decided that CA009 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA008

Schedule 3 – Amendment to paragraph 2.1.3 (a)

Proposer

National Grid

Submitted

12/04/05

Submitted Normal

Priority

Amendment Description

Reference to 'Construction Agreement' should be amended to 'TO Construction Agreement'.

Amending incorrect terminology within Schedule 3, paragraph 2.1.3 (a).

Current status and progress

CA008 was presented to the April Committee meeting. The Committee decided that CA008 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA007

Section I, Paragraph 13.1 – Correction of sub-paragraph numbering

Proposer

National Grid

Submitted

12/04/05

Submitted Normal

Priority

Amendment Description

Sub-paragraph numbering for Section I, paragraph 13.1 starts at 13.1.2 instead of 13.1.

Correction of sub-paragraph numbering of Section I, Paragraph 13.1

Current status and progress

CA007 was presented to the April Committee meeting. The Committee decided that CA007 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA006

Section G, paragraph 18.1 – removal of obsolete text.

Proposer

National Grid

Submitted

12/04/05

Submitted

Normal

Priority

Amendment Description

Removal of obsolete text - 'to the effect that the law governing the place in which such immovable property' - at the end of Section G, paragraph 18.1.

The authority decision letter for STC Housekeeping amendment deleted words from Section G, paragraph 18.1 but did not remove 'to the effect that the law governing the place in which such immovable property'. Resulting in the current paragraph becoming ineffectual.

Current status and progress

CA006 was presented to the April Committee meeting. The Committee decided that CA006 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA005

Section J – New Definitions

Proposer

National Grid

Submitted

12/04/05

Normal

Amendment Description

There are currently no definitions listed for: 'Local Switching Procedure', 'Local Joint Restoration Plan' and 'De-Synchronised Island Procedure'.

The authority decision letter for OC7 and OC9 introduced the following terminology into the STC: Local Switching Procedure, Local Joint Restoration Plan and De-Synchronised Island Procedure but did not provide the relevant definition in Section J.

Current status and progress

Submitted

Priority

CA005 was presented to the April Committee meeting. The Committee decided that CA005 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

Date of Issue: 3rd October 2005

Page 4

CA004

Section I, Paragraph 1.2, Correction of Typing Error

Proposer

National Grid

Submitted

12/04/05

Submitted Normal

Priority

Amendment Description

Section I, Paragraph 1.2 finishes with an end bracket ")" instead of full stop".".

The authority decision letter for SLC C18 introduced within Section 1 subparagraph 1.2 however the legal text finishes the sentence with an end bracket instead of a full stop.

Current status and progress

CA004 was presented to the April Committee meeting. The Committee decided that CA004 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA003 Introduction of Version Control

Proposer National Grid

Submitted

12/04/05

Submitted N

Normal

Amendment Description

Introduction of version control throughout STC documentation i.e. Sections, and Schedules.

Currently there is no version control of the STC sections and schedules, the introduction of which would assist in the electronic servicing of the STC.

Current status and progress

Priority

CA003 was presented to the April Committee meeting. Amendment was evaluated and an alternative amendment proposed. The Alternative Amendment proposes that to ease interested 'parties' servicing of the code, upon each update of a section of the Code, the entire section should be reissued rather than just the affected pages as proposed by the original CA003. The Committee decided that CA003 and the Alternative Amendment should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved the Alternative Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

Date of Issue: 3rd October 2005

CA002

Section I, Paragraph 9.1 - Correction of sub-paragraphs numbering

Proposer

National Grid

Submitted

12/04/05

Submitted Normal

Priority

Amendment Description

Sub-paragraph numbering for Section I, paragraph 9.1 starts at 9.1.2 instead of 9.1.1

Correction of sub-paragraph numbering of Section I, Paragraph 9.1 and amend subsequent paragraph numbering and cross referencing accordingly throughout paragraph 9.

Current status and progress

CA002 was presented to the April Committee meeting. The Committee decided that CA002 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CA001

Section J, Paragraph 1.1 - Correction of Referencing Error

Proposer N

National Grid

Submitted

12/04/05

Submitted

Normal

Priority

Amendment Description

Section J, Paragraph 1.1 refers to 'Section I' and requires correction to read 'Section J'.

Correction of referencing error at the beginning of Section J, Paragraph 1.1.

Current status and progress

CA001 was presented to the April Committee meeting. The Committee decided that CA001 should proceed to industry consultation. The Proposed Amendment Report was issued on 9th May 2005 and comments requested by 16th May 2005. The Committee agreed the Amendment Report on 25th May 2005. The Amendment Report was submitted to Ofgem on 27th May 2005. Ofgem approved Amendment Proposal on 1st July, the change was implemented on 7th July 2005.

CUSC AMENDMENT REGISTER – AS AT 3rd November 2005

All documents referred to in the Amendment Register are available on the National Grid CUSC website.

CAP106

Amendment to Revise Paragraph 4.5.1 (Indexation – Application) of the CUSC

Proposer National Grid

Submitted 20/10/05

Submitted Priority

Normal

Amendment Description

CAP106 seeks to amend an inconsistency in the text of 4.5.1 (Indexation – Application) which has arisen from an interaction between the implemented legal text of CAP047 and CAP076, the precise mechanics of the implementation of these two modifications mean that 4.5.1 no longer reads clearly.

Current status and progress

CAP106 was presented to the October Panel meeting. The Panel decided that CAP106 should proceed to industry consultation. The consultation report was circulated on 31st October, with a closing date of 15th November 2005.

Impact on STC:

None identified

CAP105

Change of Company Name for National Grid Company plc (NGC)

Proposer National Grid

Submitted _{17/08/05}

Submitted Priority Normal

Amendment Description

It is proposed that the CUSC is amended to reflect the recent Company Name change of National Grid Company plc (NGC) to National Grid Electricity Transmission plc (NGET).

Impact on STC:

None identified

Current status and progress

CAP105 was presented to the August Panel meeting. The Panel decided that CAP105 should proceed to industry consultation. The consultation report was circulated on 2nd September, with a closing date of 3rd October 2005. A second period of consultation commenced on 6th October, concluding on 20th October 2005. The Draft Amendment Report was circulated 26th October and the Final Amendment Report was submitted to the Authority on 3rd November 2005.

Amendments to System to Generator Intertrip related terms Concurrently defined in the Grid Code and the CUSC

Proposer National Grid

Submitted _{17/08/05}

Submitted Normal

Amendment Description

This amendment proposal seeks to remove the definitions of system to generator Inter-trip categories from the CUSC and replace them with a reference to the Grid Code where they are concurrently defined in an identical manner.

Impact on STC:

None identified

Current status and progress

CAP104 was presented to the August Panel meeting. The Panel decided that CAP104 should proceed to industry consultation. The consultation report was issued on 30th August 2005 with a closing date of 30th September 2005. The Final Amendment Report was submitted to the Authority for determination on 14th October 2005.

CAP103

Flexibility of Working Group Internal Procedures

Proposer National Grid

Submitted 21/07/05

Submitted Normal Priority

Amendment Description

This proposal would provide increased flexibility to the Working Group process by providing the Working Group with the ability to unilaterally alter membership for the period up to the next Amendments Panel, following which the Amendments Panel could either uphold or overturn the Working Group changes of membership.

Furthermore, it proposes that Working Group members are able to agree a three day timetable for the approval of Working Group Reports by the Working Group if all Working Group Members agree to this. However, in the event of no agreement, the standard five day timetable for approval would remain.

Impact on STC:

None identified

Current status and progress

CAP103 was presented to the July Panel. The Panel determined that CAP103 should be considered by the Governance Standing Group, acting as a Working Group and report back to the September Panel. The Panel at the September meeting determined that CAP103 should proceed to wider industry consultation. The consultation report was circulated on 30th September, with a closing date of 14th October 2005 A second period of consultation commenced on 20th October until 3rd November 2005.

Revision of CUSC Amendment Provisions to Ensure that Amendment Reports Include a Collective CUSC Panel Recommendation

CAP100/101

Removal of the Amendments Panel Chairman's Casting Vote – In Context of Amendments Panel Recommendations

Proposer National Grid

Submitted 21/07/05

Submitted Priority

Normal

CAP100 has been amalgamated with CAP101

Amendment Description

CUSC Amendment Reports currently contain a Section for Panel Members views to be recorded. However, there is no opportunity for the Amendments Panel to make, and have recorded within the final Amendment Report, a collective recommendation to the Authority as to whether an Amendment proposal (and any Alternative Amendments) in the view of the Amendments Panel, better facilitate the Applicable Code Objectives.

Following discussions with the Governance Standing Group, NGC propose that when an Amendment Report has reached the point at which it would currently go to the Authority (i.e after the Amendments Report has been circulated to the Industry in draft form) it should instead be tabled at the next Amendments Panel.

The Amendments Panel would be required to vote as to whether they believed that the Amendment Proposal, and any Alternatives, better facilitated the Applicable Code Objectives. This vote would be recorded in the Panel Members Views Section. (Clearly Panel Members could abstain should they so wish.) In addition to the vote, any comments that Panel Members wished to have recorded, in relation to their view as to whether a proposal better facilitated the Applicable Code Objectives would also be noted within this section. Following the Amendments Panel Meeting, the Amendment Report, including the Panel Vote and views would be circulated to the Panel for 5 business days, to allow Panel Members a chance to check the factual accuracy of the way in which their views had been recorded. The Amendment Report would at that point be sent to the Authority.

Impact on STC:

None identified

Current status and progress

CAP100 was presented to the July Panel. The Panel determined that CAP100 should be considered by the Governance Standing Group, acting as a Working Group and present their Final Report to the September Panel. At the August Panel, it was agreed to amalgamate CAP100 with CAP101. The Panel at the September meeting determined that CAP100/101 should proceed to wider industry consultation. The consultation report was circulated on 30th September, with a closing date of 14th October 2005. A further period of consultation commenced 20th October 2005 until 3rd November 2005.

Incorporation of Additional Credit Management Tools

Proposer Bizzenergy

Submitted 21/07/05

Submitted Priority Normal

Amendment Description

This amendment seeks to Modify the CUSC to incorporate provisions to allow the use of:

- 1. A Performance Bond
- 2. Bi-lateral insurance
- 3. Independent Security
- 4. Advanced Payment

Objectives incorporating the Best Practice Guidelines for Network Operator Credit Cover Conclusions Document published in February 2005 by OFGEM.

Impact on STC:

None identified

Current status and progress

CAP099 was presented to the July Panel. The Panel determined that CAP099 should be considered by a Working Group, and present their Final Report to the September Panel. The Panel at the September meeting determined that CAP099 should proceed to wider industry consultation. The consultation report was circulated on 28th September, with a closing date of 28th October 2005. The Draft Amendment Report was circulated on 2nd November 2005.

CAP097 Revision to the Contractual Requirements for Small and Medium Embedded Power Stations under 6.5

Proposer National Grid Submitted 21/07/05 Submitted Priority Normal

Amendment Description

This Amendment Proposal clarifies NGC's requirements from Embedded Small and Medium Power Stations in order to efficiently discharge its obligations imposed through the Transmission Licence and the Act. In setting out the requirements this Amendment Proposal recognises the Grid Code LEEMPS proposal in relation to the NGC/ DNO / Medium Power Station interfaces and seeks to ensure the CUSC processes under CUSC 6.5 are consistent with the requirements of the Grid Code.

This Amendment Proposal therefore includes additional requirements that whilst stand-alone support proposals by the LEEMPS working group under the Grid Code. The Grid Code changes are based on an indirect relationship between NGC and Embedded Medium Power Stations, facilitated via the DNO. The DNO would ensure the Embedded Medium Power Station complies with the relevant requirements of the Grid Code, including the provision of information to allow NGC to assess the impact of an Embedded development on the Transmission System.

Impact on STC:

Potential backing off into the STC of National Grid's proposals in respect with the Statement of Works needs to be considered and potentially given. Two Working Group Alternative Amendments have been submitted, which may impact on the STC if approved. CAP097 is currently out for industry consultation.

Current status and progress

CAP097 was presented to the July Panel. The Panel determined that CAP097 should be considered by a Working Group and present their Final Report to the October Panel. The Working Group presented their Final Report to the Panel on 28th October. The Panel determined that CAP097 should proceed to wider industry consultation. The Consultation was expected to commence during w/c 7th November 2005.

CAP095 Removal of Operational Day Reference from Ex Post Publication of Response Information

Proposer National Grid Submitted 15/06/05 Submitted Priority Normal

Amendment Description

CAP095 will align the timeframes for the publication of ex ante and ex post information on mandatory frequency response on a calendar basis in preparation for the implementation of CAP047 on 1st October 2005.

Impact on STC:

None identified

Current status and progress

The Panel agreed that CAP095 should go straight to industry consultation. The Consultation opened on 06/07/05 and will close on 5/08/05. The Amendment Report was submitted to Ofgem on 19/08/05. The Authority determined on 14th October that CAP095 should be implemented on 28th October 2005.

Limited Duration Transmission Entry Capacity

Proposer First Hydro

Submitted _{15/06/05}

Submitted Normal **Priority**

Amendment Description

CAP094 seeks to introduce a new access product - Limited Duration Transmission Entry Capacity (LDTEC). The current access products do not embrace circumstances where TEC is available for the remainder of the financial year but NGC is not able to grant enduring TEC because of the time taken to analyse a proposal or future rights not being available. The new product would also extend to circumstances where the generator only requires TEC for the remainder of the financial year and does not require enduring TEC rights.

Impact on STC:

Same philosophy as Short Term TEC is expected to be applied to new products therefore no additional data required from TOs. However, TO's to be informed of any additional increase in access in their area.

Current status and progress

The Panel agreed that CAP094 should be considered by a Working Group reporting back to the August Panel. The Panel agreed to an extension of the working group consideration of one month and that the Working Group Report should be presented to the September Panel meeting. The Panel determined at the September meeting that CAP094 should proceed to wider industry consultation. The consultation report was circulated on 4th October, with a closing date of 4th November 2005.

Enabling the Flow of Electricity From Distribution Systems Into the Transmission System at Grid Supply CAP093 Points

Proposer Central Networks

Submitted 15/06/05 Submitted Normal **Priority**

Amendment Description

CAP093 aims to recognise the flow of electricity from distribution systems into the transmission system at Grid Supply Points. This will be achieved by altering the CUSC definitions of Grid Supply Point and Distribution System, and by making any necessary consequential changes.

Impact on STC:

The definition of Distribution System changes if either the original or Working Alternative Amendment Proposal is approved. Currently the STC definition refers to the CUSC as at the Code Effective Date. If the CUSC was amendment with the new definition, the STC would still refer to the previous definition of the term. The STC definition may have to be updated to reflect CUSC changes.

Current status and progress

The Panel agreed that CAP093 should be considered by a Working Group reporting back to the September Panel. The Panel at the September meeting determined that CAP093 should proceed to wider industry consultation. The consultation report was circulated on 29th September, with a closing date of 31st October 2005. A consultation alternative was proposed and a second period of consultation was due to commence by 7th November 2005.

CAP092 Consistent Generation Use of System Charge Liability Provisions for Transmission Access Products.

Proposer e.on Submitted 15/06/05 Submitted Priority

Amendment Description

CAP092 seeks to cap the charges payable for STTEC and/or TEC in any one financial year to that which would have been paid for TEC alone. The proposer argues that paying more for tranches of STTEC compared to what would have been paid in annual TEC charges is an unintended consequence of the introduction of the product. The proposer argues that this gives rise to discrimination and thus adverse effects on competition.

Current status and progress

The Panel agreed that CAP092 should be considered by a Working Group reporting back to the August Panel. At the August Panel Meeting, it was agreed that the Working Group Report should be presented to the September Panel meeting. The Panel at the September meeting determined that CAP092 should proceed to wider industry consultation. The consultation report was circulated on 27th September, with a closing date of 28th October 2005. Draft Amendment Report was circulated on 2nd November 2005.

Impact on STC:

None identified

CAP091 Establishment and maintenance of an Unsecured Credit Allowance for Rated and Unrated Companies and the alignment of the Value at Risk calculation with current best practice.

Proposer BizzEnergy Submitted 20/05/05 Submitted Priority Normal

Date of Issue15 November, 2005

Amendment Description

This amendment seeks to Modify the CUSC to incorporate provisions for unrated companies to establish an appropriate line of credit in accordance with the CUSC Objectives taking account of the Best Practice Guidelines for Network Operator Credit Cover Conclusions Document published in February 2005 by OFGEM.

For example it is anticipated that at a high level the modification should include amonast other things:

- 1. Establish an unsecured credit allowance for unrated counterparties by using the payment record.
- 2. Where a company rated in the lower bands or an unrated counterparty seeks to increase its unsecured credit allowance it can do so by submitting to independent assessment of its creditworthiness.
- 3. Recalculation of the Demand Reconciliation Credit Cover. amount of 10%.

Impact on STC: None identified

Current status and progress

CAP091 was presented to the May 2005 Panel. The Panel determined that CAP091 should be considered by a Working Group reporting back to the August 2005 Panel. At the July Panel, the Working Group made representation that CAP091 should be merged with the previously merged CAP089/090. The Working Group presented their combined Final Report to the August Panel. The Panel determined that CAP0089/09091 should proceed to wider industry consultation. The consultation report was circulated on 2nd September, with a closing date of 3rd October 2005. A high volume of Consultation Alternatives were proposed, a second period of consultation commenced on 10th October, concluding on 24th October 05. The Draft Amendment Report was circulated 31st October.

Credit Limits for rated companies

Proposer National Grid

Submitted 20/05/05

Submitted Priority

Normal

Amendment Description

The amendment seeks to address and codify Ofgem's recommendations within its Network Operator Best Practice guidelines.

This amendment would introduce the rules of establishing individual user limits based on a percentage of the maximum credit limit.

CAP:089 proposed that the CUSC should set a maximum credit limit based on 2% of Regulatory Asset Value of an individual Network Operator. This proposal is that individual counterparty credit limits and those that use Parent Company Guarantees or aggregates of both, should be set using credit ratings applied under the 'Basel 2' rules for determining bank capital adequacy. The implication is that the maximum credit allowances of 100 percent of maximum credit limit for AAA/AA and 40 percent for A. For the third band, (BBB) NGC proposes, consistent with Ofgem's guidelines, that the above allowance be further subdivided, such that the following are applied to rated entities:

Impact on STC:

None identified

Current status and progress

CAP090 was presented to the May 2005 Panel. The Panel determined that CAP090 should be considered by a Working Group reporting back to the August 2005 Panel. At the July Panel the Working Group made representation that CAP's089 and 090 should be merged. The Panel agreed that the Working Group should present a combined Final Report to the August Panel. See CAP091

CAP089 Maximum Unsecured Credit Limit

ProposerNational GridSubmitted20/05/04Submitted
PriorityNormal

Amendment Description

The amendment seeks to address and codify Ofgem's recommendations within its Network Operator Best Practice guidelines.

It is proposed that that Network Operators should set a maximum credit limit based on 2% of Regulatory Asset Value. Currently there is no unsecured credit limit within CUSC if a user has NGC credit rating (A- or A3 respectively as set by Standard and Poor's or Moody's for connection charges, BBB- or Baa3 respectively as set by Standard and Poor's or Moody's for Use of System charges). CUSC will require amending in order to implement the criteria for setting the maximum credit limit.

Impact on STC:

None identified

Current status and progress

CAP089 was presented to the May 2005 Panel. The Panel determined that CAP089 should be considered by a Working Group reporting back to the August 2005 Panel. See CAP091

Application of late payments of Commercial Debts (Interest) Act 1998

Proposer National Grid

Submitted 20

20/05/05

Submitted Priority Normal

Amendment Description

The amendment seeks to address and codify Ofgem's recommendations within its Network Operator Best Practice guidelines.

Clause 6.6.5 states the rate of 4% over base rate, accrued daily, can be levied on any CUSC party that fails to pay on the due date any amount properly due.

This amendment is proposed in order to allow the application of the late payment of Commercial Debts (Interest) Act 1998. This would act as an additional incentive to ensure that payments are made in accordance with prevailing contracts, as it allows for interest to be levied on late paid items at a rate equal to a specified base rate plus eight percentage points per annum. This rate is set twice a year on 30 June and 31 December each year. This rate is applicable for the following six-month periods i.e. 1July to 31 December and 1 January to 30 June respectively.

Current status and progress

CAP088 was presented to the May 2005 Panel. The Panel determined that CAP088 should be considered by a Working Group reporting back to the August 2005 Panel. The consultation report was issued on 5th August 2005, with a closing date of 2nd September 2005. The Amendment Report was submitted to Ofgem on 15th September 2005. Ofgem approved Amendment Proposal on 30th September 2005 for implementation on 14th October 2005.

Impact on STC:

None identified

CAP087

Revisions to Request for Urgency Process

Proposer British Gas Trading

Submitted 13/04/05

Submitted Priority Normal

Amendment Description

CAP087 seeks to amend Section 8.21 of the CUSC, which details the process for requesting that an Amendment Proposal be treated urgently. Section 8.21.3 states that the Panel Chairman or Panel Secretary will only consult with the Authority if the Amendments Panel or a majority of the Amendments Panel agrees that the proposal should be treated urgently. This Amendment Proposal would extend that obligation on the Panel Chairman to consult with the Authority on all requests for urgency.

Current status and progress

CAP087 was presented to the April Panel meeting. The Panel decided that CAP087 should proceed to industry consultation. The consultation report was issued on 27th April 2005. The Amendment Report was submitted to Ofgem on 13/6/05. The Authority approved CAP087 on 15th July 2005, for implementation on 29th July 2005.

Impact on STC:

None identified

Proposal for Earlier Consideration of Implementation Dates

Proposer E.ON UK plc

Submitted 13/04/05

Submitted Priority Normal

Amendment Description

CAP086 seeks to introduce a requirement on NGC to consult CUSC Users regarding Implementation Dates for CUSC Amendment Proposals earlier during the consultation arrangements.

NGC are already required to include details of implementation timescales within each CUSC Amendment report. However, CAP086 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.

The Proposer believes that the Implementation Date is a fundamental aspect of any Amendment Proposal, 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. The Proposer believes that CAP086 is consistent with both the requirements of the current licence conditions and the recent Ofgem decision for CAP077.

Impact on STC:

None identified

Current status and progress

CAP086 was presented to the April Panel meeting. The Panel decided that CAP086 should proceed to industry consultation. The consultation report was issued on 27th April 2005. The consultation closed on 27th May. Consultation Alternative Amendments have been received and therefore a further consultation will be conducted. A further consultation on two Consultation Alternative Amendments closed on 29th June. The Amendment Report was submitted to Ofgem on 30th June. Ofgem approved Amendment Proposal on 18th August 2005 for implementation on 2nd September 2005.

Revised Treatment of Housekeeping Amendments

Proposer National Grid

Submitted 13/04/05

Submitted Priority Normal

Amendment Description

CAP085 would provide for a more efficient, lighter touch approach, to the progressing of Housekeeping Amendments. It is proposed that where such proposals have been raised, the CUSC Panel will agree whether or not they believe such Amendments are in fact Housekeeping (in accordance with the new definition of "Housekeeping Amendment," in the CUSC.)

NGC will publish the proposed Housekeeping Amendments on the CUSC Industry Information Website for 5 business days, prior to writing to Ofgem requesting that the Housekeeping Amendments be approved.

The Authority will take the final executive decision as to whether or not to approve the Amendments based on the normal criteria as to whether or not they believe the proposal better facilitates the relevant applicable objectives.

Impact on STC:

None identified

Current status and progress

CAP085 was presented to the April Panel meeting. The Panel decided that CAP085 should proceed to industry consultation. The consultation report was issued on 27th April 2005. A further consultation was conducted on a Consultation Alternative Amendment with a closing date of 15th June 2005. The Amendment Report was submitted to Ofgem on 23/6/05. Ofgem approved Amendment Proposal on 4th August 2005, the change was implemented on 17th August 2005.

CAP047 Introduction of a competitive process for the provision of Mandatory Frequency Response

Proposer Innogy plc Submitted 11/3/03 Submitted Priority Normal

Amendment Description

This amendment seeks to facilitate competition in the provision of Frequency Response services by increasing transparency and providers' ability to vary prices. The proposed amendment has three elements:

- (1) Revision of the provisions regarding the right to amend payment rates such that the User can submit 'holding' prices to be applied in each calendar month for each mandatory frequency response service (Primary, Secondary and High). Such submissions to be made by the 15th business day of the month prior to month in which the prices shall apply; (2) A requirement for NGC to publish market data describing prices and volumes of frequency response services procured in previous months, submitted prices for each service by BMU, and their future requirements for the service;
- (3) Lifting of the cost reflective charging principle as currently applied to the 'holding' payments.

Impact on STC:

None identified

Current status and progress

CAP047 was presented at the Amendments Panel meeting on 21/3/03. The Panel actioned the BSSG to act as a Working Group to consider CAP047 further and report back to the June CUSC Panel meeting. The CAP047 Working Group Report was considered at the June Panel meeting. The Panel determined that the Working Group had met its Terms of Reference and that CAP047 could proceed to wider industry consultation by National Grid. A consultation paper was issued on 4th July and the consultation period closed on 20th August. The Amendment Report was submitted to the Authority on Thursday 4th September. National Grid supports Alternative Amendment (B). The Authority approved Alternative Amendment A on 28th September. NGC applied for an extension of the implementation date from 1st October 2004 to 1st October 2005 and this was approved by the Authority on 30th September.

P 194	Revised Derivation of the 'Main' Energy Imbalance Price					
Proposer	Mark Brackley	Modification Description	Current progress	Current Status		
Organisation	NATIONAL GRID	The proposal is to amend the calculation of the 'Main'	On 08 September 2005, the BSC Panel	Assessment Procedure		
Raised	26/08/2005	Energy Imbalance Price such that only a predefined maximum volume of priced balancing actions, remaining in the Net Imbalance Volume (NIV), will contribute to the	submitted P194 to a 2-month Assessment Procedure, with an			
Process	NORMAL		Assessment Report to be presented to	Status update		
Authority Report Date	December 2005	derivation of the volume weighted average imbalance price. The maximum volume of priced balancing actions will be the most expensive 100MWh remaining in the NIV.	the Panel on 10 November 2005.	9-Sep-05		
Modification Group	PSMG					

P 193	Process Improvements for Modification Proposals					
Proposer	John Greasley	Modification Description	Current progress	Current Status		
Organisation	NATIONAL GRID	This proposal seeks to amend the existing Code provisions	On 08 September 2005, the BSC Panel	Assessment Procedure		
Raised	26/08/2005	Panel on the recommendation of BSCCo or the TDC as described in F2.1.1(d), the Panel may submit the proposal	submitted P193 to a 2-month Assessment Procedure, with an	Chalus and lake		
Process	ess NORMAL		Assessment Report to be presented to the Panel on 10 November 2005.	Status update		
Authority Report Date	December 2005			9-Sep-05		
Modification Group	GSMG					

BSC MODIFICATION REGISTER (Part 1: Pending Modifications)

P 191	Revised definition of BM Unit to include Power Park Module					
Proposer	Terry Ballard	Modification Description	Current progress	Current Status		
Organisation	RWE NPOWER	It is proposed that the definition of a single BM Unit under Section K paragraph 3.1.4 (a) is amended to include a Power Park Module as follows:	On 11 August 2005, the BSC Panel submitted P191 to a 2-month Assessment Procedure, with an	Assessment Procedure		
Raised	26/07/2005					
Process	NORMAL	"K3.1.4 (a) any Generating Unit or CCGT Module or Power Park Module for whose Exports the Metering System(s) is or are registered in CMRS"	Assessment Report to be presented to	Status update		
Authority Report Date	November 2005		the Panel on 13 October 2005.	12-Aug-05		
Modification Group	SSMG	In addition it is proposed to include a new definition of "Power Park Module" as follows:				
		"Power Park Module" has the meaning given to that term in the Grid Code"				
		This amendment and new definition will allow recent changes to the definitions in the Grid Code to allow connection of wind farms to be reflected in the BSC.				

BSC MODIFICATION REGISTER (Part 1: Pending Modifications)

P 190	Removal of witnessing and sealing service obligation on CDCA					
Proposer	Lorna Short	Modification Description	Current progress	Current Status		
Organisation	RWE NPOWER		At its meeting of 8 September 2005 the BSC Panel determined that P190 should be submitted to the Report Phase with a provisional recommendation that the Proposed Modification should be made with a provisional Implementation Date of 28 June 2006 if an Authority decision is received on or before 1 March 2006, or 8 November 2006 if the Authority decision is received after 1 March 2006 but on or before 12 July 2006. The P190 draft Modification Report will be submitted to the Panel at its meeting of 13 October 2005.	Draft Report		
Raised	02/06/2005	on the CDCA to provide a witnessing and sealing service in respect of all Metering Equipment associated with CVA				
Process	NORMAL	Metering Systems as detailed in Section R 6.1.2 of the		Status update		
Authority Report Date	October 2005	Operator Agent.		9-Sep-05		
Modification Group	SSMG					

			draft Modification Report will be submitted to the Panel at its meeting of 13 October 2005.	
P 182	Review of the	NHH Settlement performance measures		
Proposer	Tim Roberts	Modification Description	Current progress	Current Status
Organisation	SCOTTISH POWER	This Modification has been developed through the VASMG	Final Modification Report issued to the	Authority
Raised 29/11/2004		following the raising of Issue 11 by Scottish Power plc, Centrica plc and E.ON Uk.	Authority for determination on 12 August 2005. This report recommended	
Process	NORMAL	Appear C 1 of the Palancing and Settlement Code requires	that neither the Proposed nor Alternative Modifications should be	Status update
Authority Report Date	12 August 2005	Annex S-1 of the Balancing and Settlement Code, requires that Suppliers increase the amount of actual energy provided to Settlements so that by 14 months, 97% of the	made.	12-Aug-05
Modification V. Group	VASMG	actual energy rather than estimated energy is submitted. This Modification seeks to revise the current Non-Half Hourly (NHH) Settlement performance measure and the associated Annual Consumption Calculation Process.		

Grid Code

Table 1 - Consultation Papers - Current Status Report - 11th October 2005

Issue	Lead Mngr	GSRG lead	Priori ty	Summary of current position	Work Programme
Re-Declaration of Availability of Frequency Sensitive Mode C/05	RM	DP	Mediu m	Authority approval received.	Response required by 29 July. 9 responses received mostly supportive with some suggestions. One respondent did not see need for change. Report to be sent to Authority w/e 9 th September 2005. Implemented 30 th September 2005.
Licence Exempt Embedded Medium Power Stations D/05	BG	MD	High	Consultation closed.	Working Group report to be discussed at 20 July EGCRP. Consultation report sent on 23 rd August 2005. Replies to be received by 7 th October 2005. Consultation closed on 7 th October 2005, 6 responses received.
OC8 and Local Safety Instructions in Scotland E/05	BG	DP	Mediu m	Consultation in preparation	Expect to send consultation following September GCRP meeting.
Time Extension for the requirements of Grid Code General Conditions GC15	BG	DP	High	Authority approval received.	Consultation Report sent 2 nd August. Responses required by 26 th August 2005. Report sent to Authority on 2 nd September 2005. Implemented 30 th September 2005.
Proposed Relevant Electrical Standards Document GES/1/05	BG	DP	High	Out for Consultation.	Consultation responses received by 28 th October