

## Codes Summary

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

### **CUSC**

Final Amendment Report for CAP097 was submitted to Ofgem on 15<sup>th</sup> March 2006.

#### Authority Decisions

##### CUSC Amendments Panel Meeting

The next meeting of the CUSC Amendments Panel is scheduled for 28<sup>th</sup> April 2006.

The Following have been sent out for Industry Consultation.

- CAP 120 (Connection Application Form Alternative Connection Offers in England & Wales and Scotland).
- CAP 121 (Amendment to Outturn Reconciliation)
- CAP 122 (Change to the definition of Intertrip Payment for Power Park Modules)
- CAP 123 (Quorum at Amendments Panel meetings held via teleconference)

### **BSC**

#### BSC Panel

The next BSC Panel is scheduled for 13<sup>th</sup> April 2006.

- P194 – (Revised Derivation of the 'Main' Energy Imbalance Price) has been approved with an implementation date of 2<sup>nd</sup> November 2006.
- P199 – (Quantification of demand control in BSC) has been sent out for Industry Consultation.

### **Grid Code**

Next meeting of the GCRP is scheduled for 18<sup>th</sup> May 2006.

Power Park Modules Working Group met on 31<sup>st</sup> March 2006. Following the discussions in the Working Group NGET will be drafting some legal text / change proposals. The legal text will be circulated to the Working Group on 9<sup>th</sup> May 2006.

Network Defence against Widespread Voltage Collapse Low Voltage Demand Working group is due to meet on 5<sup>th</sup> May 2006.

### **Charging**

No updates to report at the time of producing this summary.

### **TO Price Review**

Access Reform Options Development Group ("ARODG") continues to meet on a weekly basis. Third of the six consultation documents regarding the Transmission Price Control has been published on 30<sup>th</sup> March 2006. Further details can be found on the Ofgem website.

Site: - <http://www.ofgem.gov.uk/ofgem/work/index.jsp?section=/areasofwork/transpcr>

# AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

## As at 11<sup>th</sup> April 2006

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.nationalgrid.com/uk/Electricity/Codes/sotocode/](http://www.nationalgrid.com/uk/Electricity/Codes/sotocode/)

CUSC: <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/>

BSC: [www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx](http://www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx)

TCMF: [www.nationalgrid.com/uk/Electricity/Charges/TCMF/](http://www.nationalgrid.com/uk/Electricity/Charges/TCMF/)

Grid Code: [www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/](http://www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/)

## STC AMENDMENT REGISTER – AS AT 3<sup>rd</sup> April 2006

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

### CA020

#### GB Transmission System Performance Reporting

**Proposer**

SPTL

**Submitted**

14/03/06

**Submitted  
Priority**

Normal

#### Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the development of a statement by which the GB Transmission System performance can be measured and for the production of the associated report. The production of the statement and the report are licence requirements on National Grid. It is a licence requirement on the TOs that they provide assistance to National Grid in the production of the report.

The proposed amendment is based upon existing STC processes by which the Transmission Licensees co-operate to produce the Seven Year Statement.

#### Current status and progress

CA020 GB Transmission Performance Reporting was proposed by SPTL and circulated prior to the March 2006 STC Committee meeting. The STC Committee decided for CA020 to go forward to the Evaluation phase. A meeting will be arranged prior to the next STC Committee meeting to discuss this further

### CA019

#### Assessment of the Impact of Certain Embedded Power Stations

**Proposer**

SPTL

**Submitted**

20/02/06

**Submitted  
Priority**

Normal

#### Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. SPTL is also proposing an Alternative Amendment to CA019, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

#### Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06.

At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report. A teleconference has been arranged for 3rd April 2006.

## STC AMENDMENT REGISTER – AS AT 3<sup>rd</sup> April 2006

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### CA018

### Removal of the Restriction on Proposing Alternative Amendments

<b>Proposer</b>	National Grid	<b>Submitted</b>	14/02/06	<b>Submitted Priority</b>	Normal
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#### Amendment Description

This Amendment Proposal seeks to remove from the STC the restriction that each Party may only propose one Alternative Amendment. Paragraph 7.2.2.8 of Section B of the STC currently limits Parties to proposing only one Alternative Amendment. This has proved to be overly restrictive, particularly when developing STC amendments to “back-off” CUSC amendment proposals, which may contain a greater number of Alternatives

#### Current status and progress

CA018 Removal of the Restriction on Proposing Alternative Amendments was discussed at the 21<sup>st</sup> February 2006 Committee.

The Committee decided that CA018 could proceed to the Assessment & Report Phase.

At the March Committee meeting the Committee decided the Proposed Amendment Report to be sent for consultation for 10 business days.

### CA017

### Assessment of the Impact of Certain Embedded Power Stations

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/12/05	<b>Submitted Priority</b>	Normal
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#### Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid’s requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA017, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

#### Current status and progress

CA017 was presented and discussed at the December Committee Meeting. The Committee decided that CA017 should proceed to the Evaluation Phase. The working group met on 09/01/06, 01/02/06 and 15/02/06 in order to discuss & develop legal text.

At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report. A teleconference has been arranged for 3rd April 2006.

## STC AMENDMENT REGISTER – AS AT 3<sup>rd</sup> April 2006

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### CA016

### Modification Applications in Respect of Certain Embedded Power Stations

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/12/05	<b>Submitted Priority</b>	Normal
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#### Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the original CUSC Amendment Proposal CAP097 (as proposed by National Grid), which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA016, which would facilitate the revised process proposed by both the CAP097 Working Group Alternative Amendment 2 and the CAP097 Consultation Alternative Amendment 3 proposed by SP Transmission & Distribution.

#### Current status and progress

CA016 was presented and discussed at the December Committee Meeting. The Committee decided that CA016 should proceed to the Evaluation Phase. The working group met on 09/01/06, 01/02/06 and 15/02/06 in order to discuss & develop legal text.

**At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report. A teleconference has been arranged for 3rd April 2006.**

### CA014

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

<b>Proposer</b>	National Grid	<b>Submitted</b>	12/07/05	<b>Submitted Priority</b>	Normal
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#### Amendment Description

At National Grid Transco's Annual General Meeting (held on 25<sup>th</sup> July), shareholders approved a motion to change the name of the group to that of National Grid plc, with effective from 27<sup>th</sup> 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 9<sup>th</sup> August 2005 and comments requested by 16<sup>th</sup> August 2005. The Committee agreed the Amendment Report on 24<sup>th</sup> August 2005. The Amendment Report was submitted to Ofgem on 26<sup>th</sup> August 2005. Authority approved CA014 on 16<sup>th</sup> September, for implementation on 23<sup>rd</sup> September 2005.

## STC AMENDMENT REGISTER – AS AT 3<sup>rd</sup> April 2006

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### CA013

**Proposer**

National Grid

### TEC Exchange Rate Request Process

**Submitted**

18/05/05

**Submitted  
Priority**

Normal

#### 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 5<sup>th</sup> August 2005. Outstanding impact and assessment analysis to be submitted by 2<sup>nd</sup> 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 27<sup>th</sup> September 2005. Responses to be received by 11<sup>th</sup> October 2005. Draft version of Amendment Report to be present to STC Committee Meeting in October for review/comment/approval. The Amendment Report was submitted to Ofgem on 20<sup>th</sup> October 2005. Authority approved CA013 on 1<sup>st</sup> December, for implementation on 8<sup>th</sup> December 2005.

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

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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

**CAP123**

**Quorum at Amendment Panel meetings held via teleconference**

**Proposer** National Grid

**Submitted** 23/03/06

**Submitted  
Priority** Normal

**Amendment Description**

CAP123 proposes to change CUSC 8.9.2 to ensure the available conference provisions within CUSC 8.7.8 can be fully utilised and that meetings held via this provision are capable of being a quorate meeting of the Amendments Panel.

**Current status and progress**

CAP123 was presented to the March 2006 Panel meeting. The Panel decided that CAP123 should proceed to industry consultation.

**Impact on STC:**

None Identified

**CAP122**

**Change to the definition of Intertrip Payment for Power Park Modules**

**Proposer** National Grid

**Submitted** 23/03/06

**Submitted  
Priority** Normal

**Amendment Description**

CAP122 proposes to change the definition of Intertrip Payments within CUSC 4.2A.4(c) and associated terms, to one payment per Power Park Module instead of one payment per Generating Unit. In our view such a change is consistent with the underlying philosophy behind CAP076 and the applicable CUSC objectives and will remove the risk to the Industry of disproportionate costs were a Power Park Module to be tripped off the transmission system.

**Current status and progress**

CAP122 was presented to the March 2006 Panel meeting. The Panel decided that CAP122 should proceed to industry consultation.

It is not the intention of this proposal to change the amount payable per trip, (i.e. £400,000), except in the specific context of Power Park Modules.

**Impact on STC:**

None Identified

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**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP121**

**Proposer** National Grid

**Amendment to Outturn Reconciliation**

**Submitted** 23/03/06

**Submitted  
Priority** Normal

**Amendment Description**

CAP121 proposes to change the CUSC provision CUSC 2.14.3 (c) in circumstances where Outturn Reconciliation cannot be completed within one year of the Completion Date, thus providing both National Grid and the Generator with the flexibility to agree mutually acceptable timescales to complete the reconciliation process. Where mutual agreement can not be reached, the existing 12 month period would remain in force.

**Impact on STC:**

The relevant STC provisions are contained in STCP19-2. However, paragraph 7.3.2 already states that the TO shall send NGET a Final Project Report “within 8 months of the Completion Date (or as otherwise agreed)”.

**Current status and progress**

CAP121 was presented to the March 2006 Panel meeting. The Panel decided that CAP121 should proceed to industry consultation.



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**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP120**                      **Connection Application Form – Alternative Connection Offers in England & Wales and Scotland**

**Proposer**   National Grid

**Submitted**   23/03/06

**Submitted**  
**Priority**   Normal

**Amendment Description**

CAP120 proposes to change the CUSC Application Form for Bilateral Connection Agreements, (CUSC Exhibit B) to include additional questions to ascertain whether an Applicant has or intends to make an alternative application for connection in England & Wales or Scotland (or vice versa) to enable National Grid to ensure disclosure of information within National Grid is managed in accordance with National Grid Licence Special Condition M.

An alternative connection application is when an Applicant applies for multiple connections to the GB transmission system at different locations and at least one location is outside National Grid's Transmission area i.e. Scotland and where the Applicant does not intend to connect at all the locations which they have applied for, but intends to connect at a location which is most beneficial for their project. Please note this does not apply to competing offers between the Scottish TO's, as no advantage can be gained by National Grid and the normal procedures for confidentiality shall apply.

The proposer requests and recommends that this Amendment Proposal proceeds straight to Industry Consultation for a period of 2 weeks as we believe that it would be beneficial to make this change in a timely way.

**Impact on STC:**

None Identified.

**Current status and progress**

CAP120 was presented to the March 2006 Panel meeting. The Panel decided that CAP120 should proceed to industry consultation.

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**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**Clarification of, and correction to, the table of Users' Credit Allowances**

<b>CAP119</b>				
<b>Proposer</b>	National Grid	<b>Submitted</b>	19/01/06	<b>Submitted Priority</b> Normal
<b>Amendment Description</b>	<b>Current status and progress</b>			
CAP 119 proposes to update the table for Users' Credit Allowances as a % of unsecured Credit Cover.	CAP119 was presented to the January 2006 Panel meeting. The Panel decided that CAP119 should proceed to industry consultation. The consultation report was circulated on 2 <sup>nd</sup> February, with a closing date of 16 February 2006. A second period of consultation commenced on 21 February, which will conclude on 7 March 2006. The Draft Amendment Report was circulated on 23 March 2006. The Panel voted on 31 March 2006 for the Original Proposal.			
<b>Impact on STC:</b>				
None Identified				

**CAP113-118**

**Housekeeping Amendment**

<b>Proposer</b>	National Grid	<b>Submitted</b>	19/01/06	<b>Submitted Priority</b> Normal
<b>Amendment Description</b>	<b>Current status and progress</b>			
CAP's113 – 118 proposes to correct errors in various sections of the text.	CAP113-118 was presented to the January 2006 Panel Meeting. The Panel decided that all the amendments proposed were consistent with the definition of a housekeeping amendment and should be processed in accordance with Paragraph 8.21.2 of CUSC. Amendment Report issued to Authority on 20 February 2006. <b>The Authority approved the Amendment on 23 March 2006 for implementation on 7 April 2006.</b>			
<b>Impact on STC:</b>				
None Identified				

**CAP108-112**

**Housekeeping Amendment**

<b>Proposer</b>	National Grid	<b>Submitted</b>	08/12/05	<b>Submitted Priority</b> Normal
<b>Amendment Description</b>	<b>Current status and progress</b>			
CAP's108 – 112 proposes to correct errors in various sections of the text.	CAP108-112 was presented to the December Panel Meeting. The Panel decided that all the amendments proposed were consistent with the definition of a housekeeping amendment and should be processed in accordance with Paragraph 8.21.2 of CUSC. The Draft Amendment Report/Consultation Document was circulated on 23 <sup>rd</sup> December for a period of 10 business days until 11 <sup>th</sup> January 2006. The Authority approved the Original Amendment on 31 January 2006 for implementation on 14 <sup>th</sup> February 2006			
<b>Impact on STC:</b>				
None Identified				

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**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP107**

**Redefinition of Response Energy Payment (REP) for Mandatory Frequency Response**

**Proposer** E.On

**Submitted** 08/12/05

**Submitted  
Priority** Normal

**Amendment Description**

CAP107 seeks to make a change to the calculation of Response Energy Payment under section 4.1.3.9A of CUSC so what a generator pays, or is paid, is its First Bid Price, for changes in energy output which occur as a result of delivering frequency response.

Currently the Response Energy is priced at a reference price which is the average of the time weighted average System Buy Price and time weighted average System Sell Price for the preceding calendar month.

By paying, or charging the relevant BMU a price equivalent to its First Bid Price, the generator concerned is able to more closely reflect its actual costs.

**Impact on STC:**

None Identified

**Current status and progress**

CAP107 was presented to the December Panel Meeting. The Panel determined that CAP107 should proceed to consideration by the BSSG acting as a Working Group for a period of 3 months, presenting their Final Working Group Report to the March Panel Meeting. The Authority agreed to a month extension at the CUSC Panel meeting 24 February 2006. The Working Group will now report to April Panel Meeting. **At the CUSC Panel Meeting on the 31 March 2006 the Authority agreed to an extension due to the proposed cancellation of the April meeting. The Working Group will now report to May Panel Meeting.**

**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.

**Impact on STC:**

None Identified

**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 31<sup>st</sup> October, with a closing date of 15<sup>th</sup> November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 25<sup>th</sup> November 2006. The Authority approved the Original Amendment on 10 February 2006 for implementation on 24<sup>th</sup> February 2006.

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**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP104**

**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  
Priority** 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 30<sup>th</sup> August 2005 with a closing date of 30<sup>th</sup> September 2005. The Final Amendment Report was submitted to the Authority for determination on 14<sup>th</sup> October 2005. The Authority approved the Original Amendment on 1 February 2006 for implementation on 15<sup>th</sup> February 2006.

**CAP103**

**Flexibility of Working Group Internal Procedures**

**Proposer** National Grid

**Submitted** 21/07/05

**Submitted  
Priority** Normal

**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 30<sup>th</sup> September, with a closing date of 14<sup>th</sup> October 2005. A second period of consultation commenced on 20<sup>th</sup> October until 3<sup>rd</sup> November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 16<sup>th</sup> November 2005. The Authority approved the Consultation Alternative Amendment on 22<sup>nd</sup> December for implementation on 10<sup>th</sup> January 2006.

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**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**

<b>Proposer</b>	National Grid	<b>Submitted</b>	21/07/05	<b>Submitted Priority</b>	Normal
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**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 30<sup>th</sup> September, with a closing date of 14<sup>th</sup> October 2005. A further period of consultation commenced 20<sup>th</sup> October 2005 until 3<sup>rd</sup> November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 17<sup>th</sup> November 2005. The Authority approved the Original Amendment on 22<sup>nd</sup> December for implementation on 10<sup>th</sup> January 2006.

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**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:**

Consequential knock-on effects identified within STC, and National Grid has proposed STC Amendment Proposal CA016 and CA017 to address these issues. STC Working Group established to discuss CA016 and CA017. SPTL has proposed an Alternative Amendment Proposal CA019 as an Alternative to CA017. **At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report. A teleconference has been arranged for 3rd April 2006. Teleconference took place on 3<sup>rd</sup> April 2006, the Committee signed off the report. The Proposed Amendment Report was submitted for Industry Consultation on 4<sup>th</sup> April 2006.**

**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 28<sup>th</sup> October. The Panel determined that CAP097 should proceed to wider industry consultation. The Consultation commenced on 10<sup>th</sup> November 2005, until the 12<sup>th</sup> December 2005. Consultation Alternatives were proposed during the Original Consultation period. The Consultation Alternative Consultation Document was circulated on 23<sup>rd</sup> December until 11<sup>th</sup> January 2006. The Draft Amendment Report was circulated on 23 January 2006. The Panel voted on 24 February 2006 for CAA1 as being the best option with a 10 day implementation. **The Final Amendment Report was submitted to the Authority on 15<sup>th</sup> March 2006 for their consideration and determination.**

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP094**

**Limited Duration Transmission Entry Capacity**

**Proposer** First Hydro

**Submitted** 15/06/05

**Submitted  
Priority** Normal

**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:**

None Identified

**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 4<sup>th</sup> October, with a closing date of 4<sup>th</sup> November 2005. A second period of consultation was undertaken commencing on 14<sup>th</sup> November until 28<sup>th</sup> November 2005. The Draft Amendment Report was circulated on 5<sup>th</sup> December 2005. The Final Amendment Report was submitted to the Authority on 13<sup>th</sup> December 2005. The Authority approved the WGAA 5 Amendment on 22 February 2006 for implementation on 1 April 2006.

**CAP093**

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

**Proposer** Central Networks

**Submitted** 15/06/05

**Submitted  
Priority** Normal

**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 29<sup>th</sup> September, with a closing date of 31<sup>st</sup> October 2005. A consultation alternative was proposed and a second period of consultation was due to commence by 7<sup>th</sup> November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 5/12/05. Ofgem rejected original and alternative amendments on 19 January 2006.

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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

**Proposer**    E.on

**Submitted**    15/06/05

**Submitted**    Normal  
**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.

**Impact on STC:**  
None Identified

**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 27<sup>th</sup> September, with a closing date of 28<sup>th</sup> October 2005. Draft Amendment Report was circulated on 2<sup>nd</sup> November 2005. The Final Amendment Report was submitted to the Authority on 11<sup>th</sup> November 2005. The Authority rejected the #original and all alternative amendments on 13 February 2006.



**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**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

**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 amongst 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 2<sup>nd</sup> September, with a closing date of 3<sup>rd</sup> October 2005. A high volume of Consultation Alternatives were proposed, a second period of consultation commenced on 10<sup>th</sup> October, concluding on 24<sup>th</sup> October 05. The Draft Amendment Report was circulated 31<sup>st</sup> October. The Final Amendment Report was submitted to the Authority 8<sup>th</sup> November 2005. The Authority approved Consultation Alternative Amendment 12 on 20<sup>th</sup> December for implementation on 1<sup>st</sup> February 2006.

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP090**

**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. Approved - See CAP091

**ANNEX 1**  
**CUSC AMENDMENT REGISTER – AS AT 3 April 2006**

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**CAP089**

**Maximum Unsecured Credit Limit**

**Proposer** National Grid

**Submitted** 20/05/04

**Submitted  
Priority** Normal

**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. Approved - See CAP091

**P 199****Quantification of Demand Control in the BSC**

Proposer	Mark Duffield	Modification Description	Current progress	Current Status
Organisation	NATIONAL GRID	This Modification Proposal is in relation to the activity of Demand Control as instructed by the System Operator, under OC.6 (c), (d) & (e) of the Grid Code. This Modification Proposal has been raised to address the distortion of the allocation of MW to participants energy accounts, and the size and direction of NIV, in the event of a Demand Control instruction by the SO.	On 09 February 2006, the BSC Panel submitted P199 to a 3-month Assessment Procedure, with an Assessment Report to be presented to the Panel on 11 May 2006.	Assessment Procedure
Raised	30/01/2006			Status update
Process	NORMAL			13-Feb-06
Authority Report Date	June 2006			
Modification Group	PSMG			

**P 198****Introduction of a Zonal Transmission Losses scheme**

Proposer	Terry Ballard	Modification Description	Current progress	Current Status
Organisation	RWE NPOWER	It is proposed that a zonal transmission losses scheme is introduced to the GB BSC. This scheme would be based on the principles established under Modification P82. A single Transmission Loss Factor (TLF) (the "applicable TLF") would be derived ex ante for application to generation and demand BMUs within a zone (the "applicable zone") for a relevant period (the "applicable period"). The proposed scheme would retain the current process for allocating transmission losses to generation and demand (45% of transmission losses to production accounts and 55% to consumption accounts).	On 09 March 2006, the BSC Panel noted the P198 Interim Report and the recommendations of the P198 Modification Group; and agreed an extension to the Assessment Procedure timetable of two months, such that an Assessment Report will be presented to the Panel at its meeting of 13 July 2006.	Assessment Procedure
Raised	16/12/2005			Status update
Process	NORMAL			27-Jan-06
Authority Report Date	August 2006			
Modification Group	P82 TLFMG			

**P 197****SVA Qualification Processes Review**

Proposer	Glenda Simons	Modification Description	Current progress	Current Status
Organisation	LAING ENERGY	This Modification proposes changes to the SVA Qualification Processes (Entry Processes, Certification and Accreditation) as recommended by the SVA Qualification Review Group and the Supplier Volume Allocation Group following the review of SVA Qualification Processes.	On 09 February 2006, the BSC Panel agreed to extend the P197 Assessment Procedure by 1 month; and agreed that an Assessment Report should be completed and submitted to the Panel for consideration at its meeting of 11 May 2006.	Assessment Procedure
Raised	12/12/2005			Status update
Process	NORMAL			27-Jan-06
Authority Report Date	June 2006			
Modification Group	VASMG			

**P 196****Treatment of Long Term Vacant Sites in Settlements**

Proposer	Afroze Miah	Modification Description	Current progress	Current Status
Organisation	E.ON UK	This Modification is proposing a solution to allow for the equitable treatment of long term vacant sites within settlements. This Modification has been raised following significant work undertaken as part of Issue 14. The Issue 14 Group reviewed the current treatment of long term vacant sites within the BSC and their impact on Settlements and associated areas. The Group concluded that this issue is materially significant and the majority believed that a Modification to the BSC should be raised to resolve the problems associated with such sites. This Modification therefore includes some of the key outputs from that group as support.	On 09 March 2006 the BSC Panel determined that P196 should be submitted to the Report Phase with a provisional recommendation that the Proposed Modification should not be made. A provisional Implementation Date for Proposed Modification P196 of 22 February 2007 if an Authority decision is received on or before 21 August 2006, or 28 June 2007 if the Authority decision is received after 21 August 2006 but on or before 19 December 2006.	Draft Report
Raised	25/11/2005			Status update
Process	NORMAL			13-Mar-06
Authority Report Date	May 2006			
Modification Group	VASMG			

**Table 1 – Grid Code Consultation Papers - Current Status Report – 11<sup>th</sup> April 2006**

<b>Paper Ref.</b>	<b>Grid Code Change Reference</b>	<b>Current Status</b>	<b>Data Provided</b>	<b>Notes</b>
I/05	Grid Code Balancing Code Changes associated with Embedded Exemptable Large Power Stations	Consultation Closed	27/01/2006	Report to be submitted to the Authority by April 2006.