

Codes Summary

This document provides a summary as to latest developments concerning the various other Industry Codes:

CUSC

The **CUSC Amendments Panel** met on 30th November 2007

- CAP131 (User Commitment for New and Existing Generators) – Amendment Report sent to Authority for consideration
- CAP144 (Emergency Instruction to emergency deenergise) issued to the Authority 17th September.
- CAP146 (Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification Affected Users) CUSC Panel voted August 2007.
- CAP148 (Deemed Access Rights to the GB Transmission System for Renewable Generators), Panel voted on 30th November.
- CAP149 (TEC Lite) Consultation issued 19th October with a closing date of 16th November. Consultation Alternative will be issued in December
- CAP150 (Capacity Reduction) Consultation alternative issued on 7th December, closing date 21st December
- CAP151 (Construction Agreements Works Register) Panel voted on 30th November.
- CAP152 (Exhibit B Revisions) Draft Amendment Report issued 5th December, will be voted on at December CUSC Panel
- CAP153 (Exhibit D Revisions) Draft Amendment Report issued 5th December, will be voted on at December CUSC Panel
- CAP154 (Exhibit F Revisions) Draft Amendment Report issued 5th December, will be voted on at December CUSC Panel
- CAP155 (Exhibit I Revisions) Draft Amendment Report issued 5th December, will be voted on at December CUSC Panel
- CAP156 (Reactive Power Default Payment Rate – Implemented on 26th November
- CAP157 (Provision of interim response volume information) Draft Amendment report issued, will be voted on at December CUSC Panel
- CAP158 (Provision of interim response volume information) vote took place on 30th November
- CAP159 (Arrangements for CUSC Mid- Term elections) – Panel agreed for CAP159 to proceed to Consultation for 4 weeks.

BSC

The BSC panel met on 13 December 2007.

The following modifications are progressing:

P213 – Rejected

P215 – Revised Credit Cover Methodology for Generating BM Units seeks to modify the BSC such that Final Physical Notifications (FPN) are used in the calculation of Credit Assessment Energy Indebtedness (CEI) for 'generating BM Units', instead of Credit Assessment Load Factors (CALF) and Generation Capacity (GC), in order to improve the accuracy of the Credit Cover arrangements for 'generating BM Units. – At the final modification stage

P217 - Revised Tagging Process and Calculation of Cash Out Prices: This modification seeks to amend the methodology by which Imbalance Prices are calculated. Presently in the definition stage

P218 - seeks to create a mechanism to allow more Microgeneration to be accounted for within the settlement process by treating in a similar way to Non Half Hourly unmetered supply. Currently at modification group stage.

P219 – modification to amend the calculation of Demand that is published on the BMRS. Modification is at the working group stage

P220 – modification to improve the variety of information published on the BMRS. Modification is at the working group stage

Grid Code

Grid Code

The next meeting of the **Grid Code Review Panel** is scheduled to take place on Thursday 7th February 2008.

Consultation Documents

G/06 - Power Park Modules and Synchronous Generating Units, consultation closed, 16 replies received.

B/07 - Improved Planning code data exchange for Compliance Assessments, submitted to Authority on 28th September.

D/07 – Frequency response requirements, consultation closed on 31 August 2007, 9 replies received.

Working Groups

Grid Code Data Exchange Working Group

- tasked with identifying an enduring solution to the interaction between the STC and Grid Code regarding the data exchange

Grid Code Compliance Process Working Group

- tasked with the review and recommendation of the codification of the compliance process and technical performance obligations (currently specified in the Compliance Guidance Notes).

Grid Code Rated MW Working Group

- review the implications on the GB Transmission System of Generating Units operating above their Rated MW levels and recommend changes that may be required to the Grid Code and related industry documents

GIS Working Group

- jointed Grid Code and CUSC Working Group tasked with regarding the issues pertaining to the utilisation of GIS e.g. ownership boundaries.

Charging

Charging for SQSS design variations

- The consultation closed on 30 November.
- Conclusions report to be issued to Ofgem by 14 December, 2007.

Charging for offshore transmission

- Consultation document to be issued by 14 December, 2007
- Scope modified to remove the treatment of “embedded transmission” given Ofgem’s intention to establish an embedded transmission working group

AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

As at 12 December 2007

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/

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

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

TCMF: www.nationalgrid.com/uk/Electricity/Charges/TCMF/

Grid Code: www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/

ANNEX 1
STC AMENDMENT REGISTER – AS AT 10th December 2007

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

CA027	Miscellaneous amendment as a consequential affect of CA025		
Proposer	National Grid	Submitted	Submitted Normal Priority
Amendment Description		Current status and progress	
Amend Section J to include definitions for the following terms: <ul style="list-style-type: none">- Agreement for Energisation- Agreement for Interim Operational Notification- Interim Operational Notification		The STC Committee agreed that CA027 should proceed to Assessment and Report Phase with a view to sending out to consultation for 10 business days. Consultation period closed on 5 December 2007 one response received, Amendment Report to be submitted to the Authority.	

Amend Section G to reference the revised paragraph numbering as a result of CA025

CA028	Amendment to the governance timescales		
Proposer	National Grid	Submitted	Submitted Normal Priority
Amendment Description		Current status and progress	
Amend Section B (Governance) to: <ul style="list-style-type: none">• Increase the maximum period for industry comments to be received regarding Proposed Amendment Reports to be 1 month (consultation period);• increase the maximum period for Assessment and Report Phase to 5 months from it's initiation;		The STC Committee agreed that CA028 should proceed to Assessment and Report Phase with a view to sending out to consultation for 10 business days. Consultation period closed on 5 December 2007 one response received to support the proposed amendment. Amendment Report to be submitted to the Authority.	

This amendment will retain the requirement for the STC Committee secretary to post the Proposed Amendment on the website once the STC Committee have approved it

This amendment has been written to enable Users more time during a consultation period to consider and respond to Proposed Amendments that will impact Users.

ANNEX 1
STC AMENDMENT REGISTER – AS AT 10th December 2007

CA026

Exchange of Data Amongst Relevant Parties in Schedules 5, 6, 7, 11 and 13

Proposer	National Grid	Submitted	13/02/07	Submitted	Normal
				Priority	

Amendment Description

Allow the transfer of the Construction Planning Assumptions to the Transmission Owners (TOs) in Schedules 5, 6, 7, 11 and 13.

Allow the same data to be transferred to the Other Affected TO (e.g. Section D, Part 2, Paragraph 2.2.3) as provided to the Affected TO (e.g. Section D, Part 2, Paragraph 2.2.2) in Schedules 5, 6, 7 and 13.

Current status and progress

CA026 (Exchange of Data Amongst Relevant Parties in Schedules 5, 6, 7, 11 and 13) was proposed by National Grid and discussed at the February 2007 STC Committee meeting. The Committee decided that CA026 should proceed directly to the Assessment and Report Phase. The STC Committee decided in the May 2007 STC Committee meeting that we would delay the approval and publication of the proposed Amendment Report to await the outcome of what is decided for CA023 as it also may be impacted by further review of CA023. STC Committee agreed for CA026 to be sent out to consultation on 29 August for 10 business days. The STC Committee members noted that no responses for received for the consultation. The STC Committee agreed for CA026 to proceed to the Authority for determination. Authority decision received on the 22 October 2007 to reject CA026.

CA025

Amendment to STC regarding obligations in Connection Site Specification Submissions

Proposer	National Grid	Submitted	13/02/07	Submitted	Normal
				Priority	

Amendment Description

Amendment to Section D, Part 1, Paragraph 2.6 such that when the TO has any new/revised information regarding the Connection Site Specification (CSS) then it shall submit a revised CSS to NGET.

Insert new provisions in Section D, Part 2 after paragraph 10, which would require the TOs to submit a new/revised Connection Site Specifications to NGET prior to the commissioning of a project.

Current status and progress

CA025 (Amendment to STC regarding obligations in Connection Site Specification Submissions) was proposed by National Grid and discussed at the February 2007 STC Committee meeting. The Committee decided that CA025 should proceed directly to the Assessment and Report Phase. The Committee decided that CA025 should proceed directly to the Assessment and Report Phase. The STC Committee reviewed and signed-off the Proposed Amendment Report at May's STC Committee meeting. Proposed Amendment Report circulated to industry for consultation on 23rd May 2007. Consultation period closes on 7th June 2007. Amendment Report sent to Ofgem on the 20th June 2007. Ofgem approved CA025 on the 23rd July 2007, and was implemented date on 30th July 2007.

ANNEX 1

STC AMENDMENT REGISTER – AS AT 10th December 2007

CA024

Clarification of Construction Planning Assumption Data Requirements

Proposer

National Grid

Submitted

13/02/07

**Submitted
Priority**

Normal

Amendment Description

Amend Section D, Part 2, Paragraph 3.1 such that the baseline for assessing NGET Construction Applications is the 'contracted background' as described in PC.5.4 of the Grid Code.

Amend Section D, Part 2, Paragraph 3.3 such that the latest submitted version of the 'contracted background' becomes the default data to be used when assessing a NGET Construction Application.

Current status and progress

CA024 (Clarification of Construction Planning Assumption Data Requirements) was proposed by National Grid and discussed at the February 2007 STC Committee meeting. The Committee decided that CA024 should proceed directly to the Assessment and Report Phase. The STC Committee decided in the May 2007 STC Committee meeting that we would delay the approval and publication of the proposed Amendment Report to await the outcome of what is decided for CA023 as it also may be impacted by further review of CA023. STC Committee agreed for CA026 to be sent out to consultation on 29 August for 10 business days.

The STC Committee members noted that no responses for received for the consultation. The STC Committee agreed for CA026 to proceed to the Authority for determination.

Authority approved CA024 on the 22 October 2007 with an implementation date of 29 October 2007.

ANNEX 1

STC AMENDMENT REGISTER – AS AT 10th December 2007

CA023

Exchange of Best View Investment Planning Data Outside the Boundary of Influence

Proposer

National Grid

Submitted

13/02/07

**Submitted
Priority**

Normal

Amendment Description

This amendment proposes changes to Schedule 3 and Schedule 14 of the STC. The changes would allow National Grid to release the full GB Investment Planning models, including the Investment Planning Ranking Orders and Investment Planning network models, to the TOs for the purposes of investment planning.

Current status and progress

CA023 (Exchange of Best View Investment Planning Data Outside the Boundary of Influence) was proposed by National Grid and discussed at the February 2007 STC Committee meeting. The Committee decided that CA023 should proceed directly to the Assessment and Report Phase. The STC Committee reviewed and signed-off the Proposed Amendment Report at April's STC Committee meeting. Proposed Amendment Report circulated to industry for consultation on 23rd May 2007. Consultation period closed on 17th May 2007. One consultation response was received from E.ON UK which raises some issues that need to be resolved before the Amendment Report can be approved. The Grid Code may need to be reviewed in addition to the STC for the proposed amendment. The STC Committee will discuss the impact of the response at the June STC Committee meeting. An Extraordinary GCRP meeting was held on 31st July to discuss the impact of CA023 on the Grid Code with a view to progressing a modification to the Grid Code. It is planned that the submission of the Amendment Report for CA023 coincides with the date of such a Grid Code modification anticipated at the end of December 2007. Sent to Authority for determination on 21st August 2007. Authority decision received on 4 October 2007, to reject CA023.

Modification Register part 1 – Pending Modifications

Mod No.	Urgent	Title	Description	Date Raised	Proposer Organisation	Mod Group	Status
P198	—	Introduction of a Zonal Transmission Losses scheme	Under the current BSC arrangements all transmission system losses are allocated to BSC parties in proportion to metered energy, whether production or consumption on a uniform allocation basis (45% to production accounts, 55% to consumption accounts). Therefore, the cost of heating (variable) transmission losses is allocated amongst BSC Parties regardless of the extent to which they give rise to them. This means that customers in the north of GB and generators in the south of England have to pay some of the costs of transmitting electricity to locations miles away from the source of generation. The proposed scheme will enable the variable costs of transmission losses to be allocated on a cost-reflective basis and reflected on parties that cause them. The modification would remove the current cross subsidies and associated discrimination that is inherent in the uniform allocation of transmission losses.	16/12/05	Terry Ballard RWE NPOWER	P82 TLFNG	Sent to the Authority for decision on 22 September 2006. BSC Panel's recommendation is that both the Proposed and Alternative Modifications should not be made.
P200	—	Introduction of a Zonal Transmission Losses scheme with Transitional Scheme	Section T of the BSC contains the term "transmission loss factor" (TLF), currently set to zero. We propose that, subject to feasibility, from 1st October 2007, the value of TLF be amended from zero to a zonal factor to be derived ex-ante and applied separately to generation and demand by zone, as per P198. We propose that, concurrent to the introduction of zonal TLFs, a transitional scheme is applied to existing generating plant meaning CVA-registered BM Units, including interconnector units, with their production/consumption flag set to "production" ("Production BMUs"). The transitional scheme would allow time-limited retention of existing transmission loss factors for fixed volumes of energy according to a mechanism similar to the EU ETS.	21/04/06	Phil Lawless TEESIDE POWER	P198 MG	Sent to the Authority for decision on 22 September 2006. BSC Panel's recommendation is that both the Proposed and Alternative Modifications should not be made.
P203	—	Introduction of a seasonal Zonal Transmission Losses scheme	This modification is based on the seasonal alternative solution to P198 developed at the modification group but without any phasing. Seasonal zonal Transmission Loss Factors (TLF) (the "applicable TLFs") would be derived ex ante for application to generation and demand BMUs within a zone (the "applicable zone") for each of the four BSC seasons. 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).	26/06/06	Terry Ballard RWE NPOWER	P198 MG	Sent to the Authority for decision on 22 September 2006. BSC Panel's recommendation is that the Proposed Modification should not be made.

Mod No.	Urgent	Title	Description	Date Raised	Proposer Organisation	Mod Group	Status
P204	—	Scaled Zonal Transmission Losses	Apportion an amount of estimated total variable (heating) losses in each period between BM Units in proportion to their flow volumes multiplied by a scaled zonal marginal Transmission Loss Factor determined from a load flow model. The remaining variable losses and fixed losses would be shared between all flows in proportion to volume as currently. The scaling factor would be determined such that on average over every zone and over time, no BM Unit should expect an allocation of losses less than its uniform volume proportion of fixed losses.	03/07/06	John Capener BRITISH ENERGY	P198 MG	Sent to the Authority for decision on 16 November 2006. BSC Panel's recommendation is that the Proposed Modification should not be made.
P211	—	Main Imbalance Price Based on Ex-post Unconstrained Schedule	This Modification seeks to amend the calculation of the "main" imbalance price such that when the market is short ($NIV > 0$), System Buy Price (SBP) will be based on the least expensive Offers that the System Operator (SO) could have utilised on an unconstrained system. Conversely, when the market is long ($NIV < 0$), System Sell Price (SSP) will be based on the least expensive Bids that the SO could have utilized on an unconstrained system. PAR Tagging would then be applied to the new price stack to ensure that only the most expensive 500 MWh of Bids or Offers are used to set the main price	16/04/07	Jim Beynon EDF ENERGY	P211 MG	Sent to the Authority for decision on 22 October 2007. BSC Panel's recommendation is that the Proposed Modification should not be made.
P212	—	Main Imbalance Price based on market Reference Price	The Modification proposal seeks to replace part of the current energy imbalance price methodology with an alternative method for determining the main imbalance price paid by parties who are in imbalance in the same direction as the system. The solution would use a market-derived reference price.	27/04/07	Keith Munday BIZZ ENERGY	P212 MG	In the Report Phase P212 is in the Report Phase, with an draft Modification Report to be presented to the BSC Panel on 13 December 2007.
P214	—	Issues Relating to Funds Administration	This Modification Proposal seeks to amend the current provisions for the Funds Administration process by: 1. Introducing electronic delivery of Advice/ Confirmation Notes; 2. Combining the amounts from Trading Charges and each Default Charge onto one daily Advice Note; 3. Introducing thresholds below which an Advice Note would not be produced; and 4. Amending the Balancing and Settlement Code (BSC) to bring it in line with modern banking practices. These are some of the approaches that were proposed by the BSC Review 2006/7 'Funds Administration process', and discussed further by the Issue 27 (BSC Review) Group.	03/07/07	Andy Morran Scottish Power	P214 MG	In the Report Phase P214 is in the Report Phase, with an draft Modification Report to be presented to the BSC Panel on 13 December 2007.

Mod No.	Urgent	Title	Description	Date Raised	Proposer Organisation	Mod Group	Status
P215	—	Revised Credit Cover Methodology for Generating BM Units	The proposal seeks to modify Section M1.2 of the BSC for generating BM Units (where the definition of which BM Units this applies to should be defined during the modification process), replacing the BMCAEC of the CAQCE in the calculation of Credit Assessment Energy Indebtedness (CEI) with Final Physical Notification (FPN).	27/07/07	Rebecca Williams Uskmouth Power Limited	P215 MG	In the Assessment Phase P215 is undergoing a 3 month Assessment Phase, with an Assessment Report to be presented to the BSC Panel on 13 December 2007.
P216	—	Audit of LLF Production	P216 proposes that ELEXON audits the DNOs' production of LLFs so that SVG and ISG can approve them with some confidence as to their accuracy to the methodology. It is also proposed that ELEXON conducts spot checks that the correct LLFCs have been applied to the correct MPAN. As part of this modification it is also proposed that the Code should state that, should a DNO not make their methodologies and production arrangements available, that their LLFs should not be approved, nor should new LLFs associated with new LLFCs be accepted until such time as they have been audited. In this event, only currently approved LLFs and LLFCs may be used in Settlement. It is further proposed that the Code should state that LLFs may not be changed mid-year.	30/07/07	Colin Prestwich Smartest Energy	P216 MG	In the Assessment Phase P216 is undergoing a 4 month Assessment Phase, with an Assessment Report to be presented to the BSC Panel on 14 February 2008.
P217	—	Revised Tagging Process and Calculation of Cash Out Prices	It is proposed that a revised tagging process is introduced to the BSC that would enable bid/offer acceptances (BOA) and forward trades to be tagged as a "system" or an "energy plus system" (i.e. some energy some system) or an "energy only" action based on the primary reason for the action. Each "system" action would be included in the calculation of cash out prices as an un-priced volume whilst each "energy" and "energy plus system" actions would be included in as a priced volume. The development of the "Tagging Methodology Statement", the "Replacement Price Methodology Statement" together with enhanced reporting under the BSC should ensure open and transparent understanding of SO actions and increase confidence that cash out prices reflect the cost of resolving the energy imbalance in real time.	19/10/07	Charles Ruffell RWE Npower	P217 MG	In the Definition Phase P217 is undergoing a 3 month Definition Phase with a Definition Report to be presented to the BSC Panel on 14 February 2008.

Mod No.	Urgent	Title	Description	Date Raised	Proposer Organisation	Mod Group	Status
P218	—	Facilitating Microgeneration within the BSC	<p>The modification is to create a process to allow more microgeneration to be accounted for within the settlement process by treating it in a similar way to NHH unmetered supplies.</p> <p>Each supplier will have a single Pseudo Meter (MPAN) in each GSP group. The supplier will keep a schedule of all sites where they have microgeneration including the type and kW rating of the generation. This will be sent to a new agent (Microgeneration Export Operator) who will use an agreed calculation to create a single export EAC based on a supplier's aggregated microgeneration within each GSP group and assign it to the relevant pseudo meter (MPAN). This will then be passed into settlements as per normal, and will be netted off the supplier's take by the relevant NHHDA.</p>	23/10/07	Chris Welby Good Energy Limited	P218 MG	In the Assessment Phase P218 is undergoing a 4 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 13 March 2008.
P219	—	Consistency between Forecast and Outturn Demand	<p>The Transmission Company submits demand-related data to the BMRA in accordance with paragraph 6.1 of Section Q. Specifically, the provisions for the submission of National Demand forecasts and Initial National Demand Out-Turn are given in paragraphs 6.1.2 – 6.1.8 and 6.1.13 respectively. This data is subsequently published on the BMRS.</p> <p>This proposal seeks submission and publication of additional data on the BMRS in order to improve consistency, clarity and detail of forecast and outturn demand information, and allow fuller comparison of forecast and outturn data than can be achieved at present. This should give participants more and better information in relation to forecast and outturn demand, allowing more efficient operation of the market.</p> <p>The proposed change seeks to change the make up, and publication on BMRS, of demand forecast and outturn data by providing the following new data items:</p> <ol style="list-style-type: none"> 1. Initial Transmission System Demand Out-Turn which includes Interconnector Metered Volume and the demand taken by station transformers and pumped storage units. 2. An additional National Demand forecast which does not include Interconnector flows and the demand taken by station transformers and pumped storage units. 	26/10/07	Shafqat Ali National Grid	P219 MG	In the Assessment Phase P219 is undergoing a 2 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 17 January 2008.

Mod No.	Urgent	Title	Description	Date Raised	Proposer Organisation	Mod Group	Status
			The provision of the Initial Transmission System Demand Out-Turn would allow direct comparison with the current National Demand forecasts, and the provision of the additional National Demand forecast (which does not include Interconnector flows and the demand taken by station transformers and pumped storage units) would allow comparison with the current Initial National Demand Out-Turn.				
P220	—	Provision of New Data Items for Improving Market Information	<p>The main defect this modification proposal seeks to address is that the current market information does not fully meet the needs of the industry, as indicated by the industry feedback to the Transmission Company's recent consultation.</p> <p>The industry has also suggested that the key market information is scattered at a number of websites and is not available on a single platform. In particular, there is no daily summary page available for key electricity market information (as is the case for gas) to enable market participants to see quickly the key electricity market operational parameters.</p> <p>The proposed change would lead to the provision of additional information requested by the market, which, in conjunction with the existing market information, could be published in a more user friendly way to deliver a summary page. The summary page when delivered will include a mix of current information already available to the market and the new information referred to in this modification.</p>	26/10/07	Shafqat Ali National Grid	P220 MG	In the Assessment Phase P220 is undergoing a 3 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 14 February 2008.

Consultation Papers - Current Status Report – 11th December 2007

Paper Ref.	Grid Code Change Reference	Current Status	Notes
F/06	Control and System Telephony	Approved	Authority decision received on 26 th October 2007, implementation date 1 st February 2008.
G/06	Power Park Modules and Synchronous Generating Units	Consultation Closed	Consultation closed on 18 th January 2007, 16 replies received.
B/07	Improved Planning Code Data Exchange for Compliance Assessments	Pending Authority Decision	Submitted to the Authority on 28 th September 2007
D/07	Frequency Response Requirements	Consultation Closed	Consultation closed on 31 st August 2007, 9 replies received.