

Codes Summary

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

CUSC

The **CUSC Amendments Panel** met on 27th July 2007 and the headlines can be found at http://www.nationalgrid.com/NR/rdonlyres/B83C97D4-C4C0-4DE0-93ED-F8E399D3560C/18732/Headlines_27July.pdf

- CAP131 (User Commitment for New and Existing Generators) – Amendment Report sent to Authority for consideration
- CAP141 (Clarification of the content of a Response to a Request for a Statement of Works) Amendment Report sent to Authority for consideration
- CAP143 (Interim Transmission Entry Capacity (ITEC) Product) draft Amendment Report issued 13th August with a closing date for comments of 20th August.
- CAP144 (Emergency Instruction to emergency deenergise) draft Amendment Report issued 8th August with a closing date for comments of 15th August.
- CAP145 (Embedded Generator MW Register) Amendment Report issued to the Authority for consideration on 8th May 2007. The Authority approved CAP145 on 12th June for on 12th September 2007.
- CAP146 (Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification Affected Users) Consultation Alternative Report issued 12th July with a closing date of 27th July 2007.
- CAP148 (Deemed Access Rights to the GB Transmission System for Renewable Generators), presented to the April CUSC Panel who agreed to proceed to Working Group. Working Group Report will be presented to the August CUSC Panel.
- CAP149 (TEC Lite) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP150 (Capacity Reduction) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP151 (Construction Agreements Works Register) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP152 (Exhibit B Revisions) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP153 (Exhibit D Revisions) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP154 (Exhibit F Revisions) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP155 (Exhibit I Revisions) presented to the June CUSC Panel who agreed to proceed to Working Group.
- CAP156 (Reactive Power Default Payment Rate – Use of Spectron Power Index) Consultation Document issued 9th August with a closing date of 6th September.
- CAP157 (Provision of interim response volume information) presented to the July CUSC Panel who agreed to proceed to Working Group.

BSC

The BSC panel met on 2 August 2007.

The following modifications are progressing:

- P211 proposes a main imbalance price based on ex-post unconstrained schedule.
- P212 proposes a main imbalance price based on Market Reference Price. Both of these proposals have been sent, by the panel, to working groups for assessment. (expected to have 2 month extension to working group)
- Modification P213: Facilitating micro generation (Optional Single MPAN) has been raised and sanctioned
- Modification P214: Issues related to funds administration
- Modification P215 - Revised Credit Cover Methodology for Generating BM Units (sent to definition) – Proposal seeks to use FPN rather than Gen Capacity as factor in credit cover calculation
- Modification P216 - Audit of LLF Production - Currently methodology and audit of LLF have no visibility within the BSC

Grid Code

Grid Code Review Group

An extraordinary meeting of the **Grid Code Review Panel** took place on 31st July 2007. The meeting was convened to discuss proposed amendments relating to the interaction with the Grid Code and STC regarding the exchange of User data.

The next meeting of the Grid Code Review Panel is scheduled to take place on Thursday, 20th September 2007.

Consultation Documents

- A/07 (Management of No System Management) was approved by the Authority on 28th June 2007, with an implementation date of 16th July 2007.
- B/07 (Improved Planning Code Data Exchange for Compliance Assessments) – secondment consultation document was circulated to the industry for comment on 2nd August 2007, with a closing period of 30th August 2007.
- C/07 (Timescales for the National Grid Notification of Operational Metering) was circulated to the industry for comment on 16th May 2007. Consultation period closed on 18th June 2007; with 4 replies received.
- D/07 (Frequency Response Requirements) was circulated to the industry for comment on 2nd August 2007, with a closing period of 31st August 2007

Charging

Charging for SQSS design variations

- Meeting held with SP and SSE (13/08/07) to discuss the data required to investigate a different approach to charging for 132kV circuits.
CAP 148 Deemed TEC
- National Grid has discussed options for charging at TCMF (14/08/07), these will only be taken forward to consultation stage following an Ofgem decision.
Embedded Benefit
- Following the publication of the TADG report and Ofgem's covering letter, National Grid initiated a review of the embedded benefit at TCMF (14/08/07).

AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

As at 14 August 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 1st August 2007

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

CA026					
Exchange of Data Amongst Relevant Parties in Schedules 5, 6, 7, 11 and 13					
Proposer	National Grid	Submitted	13/02/07	Submitted Priority	Normal
Amendment Description			Current status and progress		
Allow the transfer of the Construction Planning Assumptions to the Transmission Owners (TOs) in Schedules 5, 6, 7, 11 and 13.			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.		
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.					
CA025					
Amendment to STC regarding obligations in Connection Site Specification Submissions					
Proposer	National Grid	Submitted	13/02/07	Submitted Priority	Normal
Amendment Description			Current status and progress		
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.			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 23 rd May 2007. Consultation period closes on 7 th June 2007. Amendment Report sent to Ofgem on the 20 th June 2007.		
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.			Ofgem approved CA025 on the 23rd July 2007, with an implementation date of 30th July 2007.		

ANNEX 1

STC AMENDMENT REGISTER – AS AT 1st August 2007

CA024		Clarification of Construction Planning Assumption Data Requirements			
Proposer	National Grid	Submitted	13/02/07	Submitted Priority	Normal
Amendment Description		Current status and progress			
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.		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.			
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.					
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		Current status and progress			
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.		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 23 rd May 2007. Consultation period closed on 17 th 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.			

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

Extension of Qualified Company Definition

CAP157

Proposer CRE Energy Limited

Submitted 20/07/07

**Submitted
Priority** Normal

Amendment Description

It is proposed to amend the CUSC to permit Users to procure that security which is required to be provided under Paragraph 2.22.1 of the CUSC and under the provisions of Bilateral Connection Agreements, BELLAs, BEGAs and Construction Agreements by way of a Performance Bond from a Qualified Company may be provided by a wider category of companies than is currently provided for.

Specifically, it is proposed to widen the definition of 'Qualified Company' or "Qualifying Company" to enable affiliates of a User rather than solely a User's shareholders or immediate holding companies to provide security. The proposed drafting amendments are set out in Appendix 1. The proposed amendment in no way affects the requirement that a Qualified Company or Qualifying Company must have the specified credit rating.

Current status and progress

- CAP157 was presented to the July 2007 Panel meeting. The Panel decided that CAP157 should proceed to Working Group for 3 months.

Reactive Power Default Payment Rate – Use of Spectron Power Index

CAP156

Proposer National Grid

Submitted 19/07/07

**Submitted
Priority** Normal

Amendment Description

Amendment to Schedule 3, Appendix 1 part 3.1 and 3.2 of the CUSC to remove the Spectron cumulative over the counter power index from the calculation of the reactive default payment rate as it is no longer being published.

Current status and progress

- CAP156 was presented to the July 2007 Panel meeting. The Panel decided that CAP156 should proceed to Consultation for 4 weeks.

Exhibit I Revisions

CAP155			
Proposer	National Grid	Submitted	21/06/07
Amendment Description	Various amendments to Exhibit B	Submitted Priority	Normal
		Current status and progress	
			▪ CAP154 was presented to the June 2007 Panel meeting. The Panel decided that CAP154 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18 th July.

Exhibit F Revisions

CAP154			
Proposer	National Grid	Submitted	21/06/07
Amendment Description	Various amendments to Exhibit B	Submitted Priority	Normal
		Current status and progress	
			▪ CAP154 was presented to the June 2007 Panel meeting. The Panel decided that CAP154 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18 th July.

Construction Agreements Works Register

CAP151			
Proposer	National Grid	Submitted	21/06/07
Amendment Description	It is proposed to amend the CUSC to provide an obligation on the Company to establish and maintain a register of Transmission Reinforcement Works set out in Generators' and Interconnector Owners' Construction Agreements and/or BELLAs, until such Transmission Reinforcement Works are completed.	Submitted Priority	Normal
		Current status and progress	
			▪ CAP151 was presented to the June 2007 Panel meeting. The Panel decided that CAP151 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18 th July.

CAP149

Proposer SSE Generation Limited

Submitted 21/06/07

TEC Lite

**Submitted
Priority** Normal

Amendment Description

It is proposed to amend the CUSC to formalise existing transmission access arrangements whereby some Users, through non-standard variations to their Bilateral Agreement, have restricted access to the GB Transmission System.

The proposed amendment would establish a new enduring access product for existing and future Users with such restricted access rights. The proposed new product is to be termed the TEC-lite

Current status and progress

- CAP149 was presented to the June 2007 Panel meeting. The Panel decided that CAP149 should proceed to Working Group for 3 months. **The first Working Group meeting was held on 25th July.**

CAP148

Deemed Access Rights to the GB Transmission System for Renewable Generators

Proposer Wind Energy (Forse) Limited

Submitted 19/04/07

**Submitted
Priority** Normal

Amendment Description

This Amendment Proposal will prioritise the use of the GB Transmission System by renewable generators, in accordance with the Renewables Directive 2001/77, Article 7.

Renewable generators will be given firm access to the GB Transmission System up to their CEC limit by a fixed date and be compensated to the extent they are constrained from exercising such right by the payment of a new category of Interruption Payment. This will be irrespective of whether or not any associated deep reinforcement works have been constructed and/or commissioned by such date

Current status and progress

- CAP148 was presented to the April 2007 Panel meeting. The Panel decided that CAP148 should proceed to Working Group for 3 months. The first meeting was held on 21st May. At the June CUSC Panel an extension for a further month was granted.

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Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification**CAP146****Affected Users****Proposer** E.ON**Submitted** 18/01/07**Submitted
Priority** Normal**Amendment Description**

It is proposed that the CUSC be amended to:

1. Clarify that National Grid is responsible for arranging and paying for all Third Party works listed in Appendix N of all relevant Construction Agreements.
2. Change the provisions in Section 6 of the CUSC relating to Modifications made by Modification Affected Users so that National Grid is responsible for paying the costs of all such Modifications.

Current status and progress

- CAP146 was presented to the January 2007 Panel meeting. The Panel decided that CAP146 should proceed to Working Group for 3 months. The first Working Group meeting was held on 19 February. The Working Group Report will be presented to the April 2007 CUSC Panel. The Working Group Report was presented to the CUSC Panel on 27th April 2007, it was agreed to proceed to Consultation for 5 weeks to allow for Bank Holidays. The Consultation was issued on 25th May with a closing date of 29th June. **A Consultation Alternative was issued on 12th July with a closing date of 26th July.**

Embedded Generator MW Register**CAP145****Proposer** National Grid**Submitted** 18/01/07**Submitted
Priority** Normal**Amendment Description**

It is proposed to develop and provide a register in a similar format to the TEC register publishing certain details about Embedded Generator's with BELLA's, Relevant Medium Power Stations and Relevant Small Power Stations similar to the information provided on the TEC register.

Current status and progress

- CAP145 was presented to the January 2007 Panel meeting. The panel decided that CAP145 should proceed to Consultation for 4 weeks. CAP145 Consultation was issued on 8 February 2007 with a closing date of 8 March 2007. Two Consultation Alternative Amendments were proposed by CE Electric UK and Renewable Energy Systems Limited and a further Consultation on these were issued on 15th March with a closing date of 29th March 2007. The Draft Amendment Report was issued on 19th April 2007 and the Panel voted on 27th April 2007. The Amendment Report was submitted to the Authority for consideration on 8th May 2007. The Authority approved CAP145 on 12th June with an implementation date of 12th September.

CAP144**Proposer** National Grid**Emergency Instruction to emergency deenergise****Submitted** 18/01/07**Submitted
Priority** Normal**Amendment Description**

It is proposed to extend the provisions introduced by CAP048 (Firm Access and Temporary Physical Disconnection) to include the specific circumstances when a Generator is exporting but is required to deenergise / disconnect from the Transmission System in an emergency via an Emergency Instruction (EI) issued by National Grid in Balancing Mechanism timescales in accordance with the Grid Code.

Current status and progress

- CAP144 was presented to the January 2007 Panel meeting. The Panel decided that CAP144 should proceed to Working Group for 3 months. The first meeting was held on 14 February 2007. The Working Group Report will be presented to the April 2007 CUSC Panel. The Working Group Report was presented to the CUSC Panel on 27th April 2007, it was agreed to proceed to Consultation for 5 weeks to allow for Bank Holidays. The Consultation was issued on 18th May with a closing date of 22nd June. A Consultation Alternative was issued on 3rd July with a closing date of 17th July.

CAP143**Proposer** SSE Generation**Interim Transmission Entry Capacity ("ITEC") product****Submitted** 15/12/06**Submitted
Priority** Normal**Amendment Description**

This Amendment Proposal adds a new section to the CUSC defining the principles of and process for obtaining Interim TEC ("ITEC").

Current status and progress

- CAP143 was presented to the December 2006 Panel meeting. The Panel decided that CAP143 should proceed to working group for 3 months, with the first meeting scheduled for 11 January 2007. Further meetings have taken place and the Working Group Report is scheduled for March CUSC Panel. At the February CUSC a request was made Panel for a month's extension which was approved by the Authority. The Working Group Report will be presented to the April 2007 CUSC Panel. The Working Group Report was presented to the CUSC Panel on 27th April 2007, it was agreed to proceed to Consultation for 5 weeks to allow for Bank Holidays. The Consultation was issued on 4th May with a closing date of 8th June. **A Consultation Alternative Report was issued on 9th July with a closing date of 17th July.**

CAP142**Clarification of the content of a Response to a Request for a Statement of Works****Proposer** National Grid**Submitted** 24/11/06**Submitted
Priority** Normal**Amendment Description**

The current arrangements codified in CUSC 6.30.3 only appear to allow TEC trades between parties from the following 1 April on an enduring basis. This amendment seeks to introduce a much more flexible approach to TEC exchange such that these can be done between parties within year for variable periods of time as defined in a bilateral agreement. NGET would have a role in identifying the exchange rate applicable between parties as in the current arrangements.

It is envisaged that the party temporarily transferring TEC would continue to pay the TNUOS charges and this may be recovered from the receiving party as part of the bilateral agreement.

Current status and progress

- CAP142 was presented to the November 2006 Panel meeting. The Panel decided that CAP142 should proceed to working group for 3 months. The Working Group Report was presented to the CUSC Panel on 23 February 2007, it was agreed to proceed to Consultation for 4 weeks. The Working Group Report was presented to the CUSC Panel on 23 February 2007, it was agreed to proceed to Consultation for 4 weeks. The Consultation was issued on 9th March with a closing date of 10th April. The Draft Amendment Report was issued on 19th April 2007 and the Panel voted on 27th April 2007. The Amendment Report was submitted to the Authority for consideration on 8th May 2007. The Authority approved WGAA on 7th June with an implementation date of 21st June.

CAP141		Clarification of the content of a Response to a Request for a Statement of Works	
Proposer	National Grid	Submitted	24/11/06
Amendment Description		Submitted Priority	Normal
It is proposed that the CUSC be modified to clarify the content of a response to a Request for a Statement of Works pursuant to CUSC section 6.5.5.		Current status and progress	
		<ul style="list-style-type: none">▪ CAP141 was presented to the November 2006 Panel meeting. The Panel decided that CAP141 should proceed to working group for 3 months. The first meeting of the Working Group is scheduled for 7 December 2006. There were not enough nominations for CAP141 to reach a quorum. CAP141 was referred back to the CUSC Panel, who agreed that it would be held immediately after CAP140 Working Group on 15 January, and if there are not enough members for quorum National Grid would provide 2 representatives. The Working Group has commenced and a month's extension was granted by the Authority at the CUSC Panel on 28th January 2007. Further meetings have taken place and the Working Group Report is scheduled for the March CUSC Panel. The Working Group Report was presented to the March CUSC Panel who agreed for it to proceed to Consultation. The Consultation was issued on 12th April with a closing date of 17th May 2007. The Consultation was issued on 12th April with a closing date of 17th May 2007. As Alternatives were proposed a further period of Consultation commenced on 29th May with a closing date of 12th June 2007. The draft Amendment Report was issued on 3rd July with a closing date for comments of 10th July. The Draft Amendment Report was issued on 20th July 2007 and the Panel voted on 27th July 2007.	

CAP140**Proposer** National Grid**Change to BSC Party Obligations****Submitted** 24/11/06**Submitted
Priority** Normal**Amendment Description**

It is proposed that the CUSC be modified to remove an anomaly in Section 6.29. This currently allows a generator to avoid mandatory accession to the BSC provided another party is responsible under the BSC for its export and either:

- a) the generator is Exempt and directly connected (Section 6.29.2) or
 - b) the generator is Exemptable, Embedded and Large (Section 6.29.3).
- This drafting thus requires an Exempt or Exemptable User, acting as an Embedded Small Power Station or Embedded Medium Power Station, to accede to the BSC even if another party was to be responsible under the BSC for its export.

Current status and progress

- CAP140 was presented to the November 2006 Panel meeting. The Panel decided that CAP140 should proceed to working group for 3 months. The first meeting of the Working Group is scheduled for 14 December 2006. The Working Group Report was presented to the CUSC Panel on 23 February 2007, it was agreed to proceed to Consultation for 4 weeks. The Consultation was issued on 24th February March with a closing date of 19th March 2007. The Draft Amendment Report was issued on 20th March 2007 and the Panel voted on 30th March 2007. The Amendment Report was submitted to the Authority for consideration on 19th April 2007. The Authority Approved WGAA on 24th May with an implementation date of 8th June 2007.

CAP131**Proposer** National Grid**User Commitment for New and Existing Generators****Submitted** 21/09/06**Submitted**
Priority Normal**Amendment Description**

This Amendment Proposal adds a new section to the CUSC defining the principles of User Commitment. By “User Commitment”, we mean;

1. defining the monies to be secured by generators for incremental TEC; and
2. defining the ongoing liabilities of existing generators to incentivise TEC reduction information.

Current status and progress

- CAP131 was presented to the September 2006 Panel meeting. The Panel decided that CAP131 should proceed to working group for 3 months. The first meeting of the Working Group was held on 19 October 2006. The Working Group requested an extension of 2 months at the CUSC Panel Meeting on 24 November 2006 which the Authority approved. The report will now be given to the February 2007 CUSC Panel. The Working Group Report was presented to the CUSC Panel on 23 February 2007, it was agreed to proceed to Consultation for 4 weeks. The Consultation was issued on 16th March with a closing date of 13th April 2007. A number of Consultation Alternatives have been proposed and a further Consultation Document will be issued for 2 weeks. A number of Consultation Alternatives were proposed and a further Consultation Document was issued for 2 weeks on 8th May. The Panel voted on CAP131 on 29th June 2007, details of the vote were issued to the CUSC Panel for 5 days on 2nd July 2007. **The Amendment Report was issued to the Authority on 24th July 2007.**

CAP127**Proposer** National Grid**Calculation and Securing of Value at Risk****Submitted** 21/09/06**Submitted
Priority** Normal**Amendment Description**

Section 3 - Credit Requirements (calculation of security for Demand TNUoS)

Value at Risk (VAR) is the maximum amount of Use of System liability that any User is required to secure ("Security Requirement").

It is the intention of this proposal to ensure that the CUSC more clearly reflects both the value and variability of the true value at risk throughout the year. Hence, National Grid propose an amendment to the CUSC that seeks to implement a calculation of VAR for Demand TNUoS charges that is more closely aligned to the monetary value at risk and actual risk of exposure to non payment, and to more appropriately define the way in which VAR has to be secured.

Current status and progress

CAP127 was presented to the September 2006 Panel meeting. The Panel decided that CAP127 should proceed to working group for 3 months. The first meeting of the Working Group was held on 18 October 2006. The final Working Group meeting was held on 22 November and the report will be submitted to the December 2006 CUSC Panel. The Report was submitted to the December Panel who agreed for it to proceed to Consultation. The Consultation Report was issued on 20 December 2006 with a closing date for comments of 24 January 2007. A Consultation Alternative was proposed and a second Consultation period commenced 31 January with a closing date for comments of 14th February 2007. The Draft Amendment Report was issued 27th February. The Panel voted on CAP127 on 30th March 2007. The Amendment Report was issued to the Authority on 11th April 2007. The Authority approved CAA on 17th May with an implementation date of 1st June 2007.

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 TLFMG	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 than 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	In the Assessment Phase P211 is undergoing a 4 month Assessment Phase, with an Assessment Report to be presented to the BSC Panel on 13 September 2007.
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 Assessment Phase P212 is undergoing a 4 month Assessment Phase, with an Assessment Report to be presented to the BSC Panel on 13 September 2007.
P213	—	Facilitating microgeneration (Optional Single MPAN)	This Modification Proposal seeks to amend the current provisions for Non Half Hourly settlement of micro-generation by removing the requirement for the Supplier to request a separate Meter Point Administration Number (MPAN) for the Export register of the meter. The purpose of this change is to reduce the complexity of the settlement process for Suppliers and Supplier Agents, and hence facilitate increased settlement of Microgeneration export.	27/04/07	Colette Baldwin E.ON UK	P213 MG	In the Report Phase P213 is the Report Phase, with a Modification Report to be presented to the BSC Panel on 13 September 2007

Mod No.	Urgent	Title	Description	Date Raised	Proposer/ Organisation	Mod Group	Status
P214	—	Issues Relating to Funds Administration	<p>This Modification Proposal seeks to amend the current provisions for the Funds Administration process by:</p> <ol style="list-style-type: none"> 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. <p>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.</p>	03/07/07	Andy Morran Scottish Power	P214 MG	<p>In the Assessment Phase</p> <p>The Assessment Report for P214 is to be presented to the BSC Panel on 9 November 2007</p>
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	<p>In the Definition Phase</p> <p>The Definition Report for P215 is to be presented to the BSC Panel on 13 September 2007</p>
P216	—	Audit of LLF Production	<p>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.</p> <p>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.</p>	30/07/07	Colin Prestwich Smartest Energy	P216 MG	<p>In the Definition Phase</p> <p>The Definition Report for P216 is to be presented to the BSC Panel on 11 October 2007</p>

Grid Code Consultation Papers - Current Status Report –14th August 2007

Paper Ref.	Grid Code Change Reference	Current Status	Notes
C/06	Control Telephony Electrical Standard	Pending Authority Decision	Submitted to the Authority on 6 th August 2007.
F/06	Control and System Telephony	Consultation Closed	Consultation closed on 17 th January 2007, 7 replies received.
G/06	Power Park Modules and Synchronous Generating Units	Consultation Closed	Consultation closed on 18 th January 2007, 16 replies received.
A/07	Management of No System Connection	Implemented	Authority approval received on 28 th June 2007, implemented on 16 th July 2007.
B/07	Improved Planning Code Data Exchange for Compliance Assessments	Consultation	Original consultation closed on 16 th April 2007, 10 replies received. Secondment consultation document circulated to the industry on 2 nd August 2007, with a closing period of 30 th August 2007.
C/07	Timescales for the National Grid Notification of Operational Metering	Consultation Closed	Consultation closed on 18 th June 2007, 4 replies received
D/07	Frequency Response Requirements	Consultation	Consultation document circulated to the industry on 2 nd August 2007, with a closing period of 31 st August 2007