

## Codes Summary

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

### **CUSC**

CAP131 (User Commitment for New and Existing Generators) – Amendment Report sent to Authority for consideration

CAP144: Emergency Instructions to emergency de-energise – Amendment Report sent to Authority for consideration

CAP148 (Deemed Access Rights to the GB Transmission System for Renewable Generators) Amendment Report sent to Authority for consideration

CAP149 (TEC Lite) – CAA2 approved by the Authority with an implementation date of 24<sup>th</sup> May 2008

CAP150 (Capacity Reduction) – CAA approved by the Authority with an implementation date of 16<sup>th</sup> May 2008

CAP160 (Improvements to the assessment of Amendments) – to proceed to consultation following Governance Standing Group meeting on 15<sup>th</sup> May.

CAP161 (Transmission Access – System Operator Release of Short-term Entry Rights) – proceeded to Working Group

CAP162 (Transmission Access - Entry Overrun) – proceeded to Working Group

CAP163 (Transmission Access – Entry Capacity Sharing) – proceeded to Working Group

CAP164 (Transmission Access – Connect and Manage) – proceeded to Working Group

CAP165 (Transmission Access - Finite Long-term Entry Rights) – proceeded to Working Group

CAP166 (Transmission Access - Long-term Entry Capacity Auctions) – proceeded to Working Group

The CUSC Panel unanimously agreed to formally invite an STC representative to participate in the CAP161-166 Working Groups.

### **BSC**

The BSC panel met on 10<sup>th</sup> April 2008.

The following modifications are progressing:

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. Approved by the authority

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 working group phase

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

P222 – Provision of EAC and AA data to distributors – At initial written assessment

P223 - Improvements to the Profile Administrator Service – At Assessment Stage

P224- Reactive Power Flows Associated with Exemptable Generating Plant

### **Grid Code**

The next meeting of the **Grid Code Review Panel** will take place on **Thursday 15<sup>th</sup> May 2008**.

The main items on the agenda are:

New Amendments

Embedded Generation Load Factors

System to Generator Operational Intertripping Schemes

Working Group Reports

Compliance (Technical Performance) Working Group Report

Data Exchange Working Group Report

Initial Review of Grid Code Compliance Capability for New Generation Technologies

Environmental Issues and Code Objectives

## **Charging**

### **Charging for "local" assets**

NGET is currently considering responses prior to the development of a formal consultation document. This work is being considered alongside the TAR CUSC amendments CAP 161 thru' 166.

### **Transmission Access Review**

National Grid held a workshop on 10 April 2008, as a follow up to the 18th March seminar. The workshop covered the suite of framework changes proposed by National Grid and the associated process for their development. The feedback was generally positive.

# AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

## As at 2<sup>nd</sup> May 2008

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 2<sup>nd</sup> May 2008

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

<b>CA029</b>	<b>Investigation of a relevant interruption of a user and interruption payment obligations associated with such an interruption</b>		
<b>Proposer</b>	National Grid	<b>Submitted</b>	<b>Submitted</b> Normal <b>Priority</b>
<b>Amendment Description</b>	<b>Current status and progress</b>		
The amendment seeks to ensure that there is an investigation and report process in place to enable parties to identify the cause of certain interruptions to Users that results in the User being disconnected from the GB Transmission System. In addition, it seeks to oblige the relevant Transmission Owner to make the necessary Interruption Payments to NGET, which NGET will in turn be obliged under the CUSC to make such Interruption Payments to the affected User.	CA029 (investigation of a Relevant Interruption of a User and Interruption Payment obligations associated with such an interruption) was proposed by National Grid and discussed at the March 2008 STC Committee meeting. The STC Committee AGREED that CA029 should proceed to the Evaluation Phase for a maximum of two months.		

<b>CA027</b>	<b>Miscellaneous amendment as a consequential affect of CA025</b>		
<b>Proposer</b>	National Grid	<b>Submitted</b>	<b>Submitted</b> Normal <b>Priority</b>
<b>Amendment Description</b>	<b>Current status and progress</b>		
Amend Section J to include definitions for the following terms: <ul style="list-style-type: none"><li>- Agreement for Energisation</li><li>- Agreement for Interim Operational Notification</li><li>- Interim Operational Notification</li></ul> Amend Section G to reference the revised paragraph numbering as a result of CA025	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 on 19 December 2007. Authority approved CA027 on 25 January 2008 with an implementation date of 1 February 2008.		

## STC AMENDMENT REGISTER – AS AT 2<sup>nd</sup> May 2008

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CA028		Amendment to the governance timescales		
Proposer	National Grid	Submitted	Submitted Priority	Normal
<b>Amendment Description</b>		<b>Current status and progress</b>		
Amend Section B (Governance) to: <ul style="list-style-type: none"><li>• Increase the maximum period for industry comments to be received regarding Proposed Amendment Reports to be 1 month (consultation period);</li><li>• increase the maximum period for Assessment and Report Phase to 5 months from it's initiation;</li></ul>		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 on 19 December 2007. Authority approved CA028 on 28 January 2008 with an implementation date of 4 February 2008.		
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.				

## STC AMENDMENT REGISTER – AS AT 2<sup>nd</sup> May 2008

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### CA026

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

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/02/07	<b>Submitted Priority</b>	Normal
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#### 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.

### CA024

### Clarification of Construction Planning Assumption Data Requirements

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/02/07	<b>Submitted Priority</b>	Normal
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#### 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.

## STC AMENDMENT REGISTER – AS AT 2<sup>nd</sup> May 2008

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CA023	Exchange of Best View Investment Planning Data Outside the Boundary of Influence				
Proposer	National Grid	Submitted	13/02/07	Submitted Priority	Normal
<b>Amendment Description</b>	<b>Current status and progress</b>				
<p>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.</p>	<p>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<sup>rd</sup> May 2007. Consultation period closed on 17<sup>th</sup> 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 21<sup>st</sup> August 2007. Authority decision received on 4 October 2007, to reject CA023.</p>				

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

**CAP166**

**Transmission Access – Long-term Entry Capacity Auctions**

<b>Proposer</b>	National Grid	<b>Submitted</b>	25/04/08	<b>Submitted Priority</b>	Normal
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**Amendment Description**

It is proposed that all long-term entry access rights to the GB transmission system would be allocated by auction. Available access rights would be identified on a zonal basis, and released in annual (financial year) blocks. Auctions would be held annually, and capacity allocated on a pay as bid basis to the limit of the available (“baseline”) zonal capability. Successful bookings would be underpinned by user commitment in the form of a liability to pay the accepted bids and a consequential requirement for financial security to be put in place. This will be developed during the assessment of the proposed amendment, in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover.

Outside of a specified period, incremental capacity would be released by the System Operator where any unfulfilled bids in excess of the zonal reserve price were of a level sufficient to pass a regulatory test, which would be defined under a separate Incremental Entry Capacity Release (IECR) methodology.

The above arrangements would provide access to the wider transmission system. Separate arrangements would be put in place for infrastructure comprising generators’ local connections to the wider system, such that potential new generators could first apply for a local connection, and then have their offer held open until the next auction for wider system capacity had concluded. It is envisaged that generators’ bids for long-term entry access rights would be constrained to the sum of their prevailing contracted or offered local capacity limits in each zone. Separate arrangements for charging and security would apply for local infrastructure, and for the residual element of the entry Transmission Network Use of System (TNUoS) capacity charge, which it is proposed would be levied on a commoditised basis

**Current status and progress**

- CAP166 was presented to the April 2008 Panel meeting. The Panel decided that CAP166 should proceed to Working Group.



**CAP165**

**Transmission Access – Finite Long-term Entry Rights**

**Proposer**

National Grid

**Submitted**

25/04/08

**Submitted**

Normal

**Priority**

**Amendment Description**

Introduction of temporally defined finite long-term entry access rights, and associated user commitment.

It is proposed that existing generators would nominate the number of (whole financial) years for which they require long-term entry access rights to the GB transmission system. This would be underpinned by user commitment in the form of a liability to pay associated charges and a requirement for financial security to be put in place. This will be developed during the assessment of the proposed amendment, in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover. The commitment would be for any period requested by the user (i.e. there would be no rolling time limit), and rights could be extended by application at any time.

New generators (and any existing generators requesting an increased level of long-term entry access) would be required to book a defined number of years of entry access rights (“the trigger period”), and provide the associated user commitment (which would be approximately equivalent to 50% of the cost of providing the incremental capacity). This would replace the existing “final sums” regime.

The above requirements would apply to access to the wider transmission system. Separate arrangements would be put in place for infrastructure comprising generators’ local connections to the wider system, including appropriate user commitment (which may be approximately equivalent to 100% of costs).

It should also be noted that the concurrent proposal to remove the residual element of the entry Transmission Network Use of System (TNUoS) capacity charge in the Use of System Charging Methodology means that the duration of the trigger period would need to be calculated on the basis of this revised charging regime (i.e. it would only be based on the wider locational element of the TNUoS charge). Consideration will additionally need to be given to the security arrangements to be put in place for the residual charge.

It is further proposed that long-term entry access rights be defined on a zonal basis, such that each User can share capacity between its power stations on a real time basis at a 1:1 exchange rate within defined zones

**Current status and progress**

- CAP165 was presented to the April 2008 Panel meeting. The Panel decided that CAP165 should proceed to Working Group.

**CAP164**

**Proposer** National Grid

**Transmission Access – Connect and Manage**

**Submitted** 25/04/08 **Submitted Priority** Normal

**Amendment Description**

It is proposed that Generators who wish to connect to the system should have a fixed date for receiving TEC. This date, the ‘TEC effective date’, will be the later of the completion of “local” transmission works or an agreed fixed lead time. The fixed lead time will be discussed and agreed in the amendment assessment stage and codified in the CUSC. Initial options are 3 years (aligns with planning restrictions in Scotland); or 4 years (more consistent with historic performance of providing reinforcements).

The TEC effective date will be subject to ‘force majeure’ provisions as currently defined in the CUSC.

Following the initial offer, the TEC effective date can only be changed through a modification application; and if both the Generator and the Company agree, and other CUSC parties are not unduly affected.

The request for a TEC effective date is optional, and is made at the time of application. All types of generation seeking TEC can request a TEC effective date.

The definition of ‘local’ works will be established through the assessment of this proposal i.e. how ‘deep’ and what the consequences of such a definition would be.

Although not part of the CUSC, it is proposed that TEC granted with a TEC effective date be charged on the same principle as existing TEC, which is long-term incremental investment based (including any changes to local charging arrangements consistent with the changing principles).

There is a symmetrical obligation associated with the guarantee of a TEC date. This requires the generator to pay TNUoS charges for a minimum period irrespective of readiness of the generator to physically connect, subject to force majeure. The minimum period, will be agreed in the assessment of the proposal, to ensure equitable risk between other users and the connectee. This is intended to encourage the generator to apply only when consents have been granted i.e. for the purposes of this, force majeure excludes planning.

The transition arrangements for existing contracts will be agreed in the amendment assessment stage.

**Current status and progress**

- CAP164 was presented to the April 2008 Panel meeting. The Panel decided that CAP164 should proceed to Working Group.

**CAP163**

**Transmission Access – Entry Capacity Sharing**

<b>Proposer</b>	National Grid	<b>Submitted</b>	25/04/08	<b>Submitted Priority</b>	Normal
<b>Amendment Description</b>			<b>Current status and progress</b>		
<p>It is proposed to introduce a zonal access product, allowing Generators to connect without wider system access rights and facilitating intra zonal access sharing between Generators on a 1:1 basis.</p> <p>A local only application will allow users to become connected and begin to operate before any 'wider' reinforcement works are completed. The proposer suggests that 'local' works will be those that would facilitate the efficient exchange of entry rights between users within a zone on a 1:1 basis and facilitates users to gaining access to the wider system rights through other products (redistributed long-term rights or additional short-term rights). The assessment will consider the exact definition of 'local' works and highlight the pros and cons of the preferred definition. The charging arrangements associated with local works, which do not form part of the CUSC, will allow for efficient charging of variations arising from a generation User's choice (design variations) and also ensure that users who share zonal rights, or use short-term rights to access the system, contribute proportionately to the additional in assets required.</p> <p>Zonal access rights will establish transmission access rights on a zonal rather than nodal level. This will be achieved by monitoring / settling access on a zonal company level. Therefore zonal access rights will implicitly introduce intra zonal access sharing on a 1:1 basis for an individual user. Entry capacity sharing will also extend this concept of sharing to multiple users. It is envisaged that a new Zonal Definition Methodology would establish and govern the definition of the zones. These zones would be applicable across all zonal products and associated charges. Moving to a zonal rather than nodal access regime has the potential to create additional constraints; the analysis in the assessment phase will seek to quantify this.</p> <p>The process for notifying National Grid of Entry Capacity sharing arrangements between users will be developed during the amendment assessment stage. There are a number of possible models, such as: codifying the sharing through a new CUSC form (ex ante); notifying explicit transfer of rights ex ante; or ex post notification of transferred access rights.</p> <p>Transition arrangements from the current Transmission Entry Capacity, TEC, will be considered in the amendment assessment stage.</p>			<ul style="list-style-type: none"> <li>▪ CAP163 was presented to the April 2008 Panel meeting. The Panel decided that CAP163 should proceed to Working Group.</li> </ul>		

<p><b>Proposer</b> National Grid</p> <p><b>Submitted</b> 25/04/08</p> <p><b>Submitted Priority</b> Normal</p> <p><b>Amendment Description</b></p> <p>Creation of a commercial mechanism for dealing with export above existing entry access capacity holdings.</p> <p>This proposal would permit Generators to export in excess of their total entry access capacity holding (currently sum of TEC, LDTEC, STTEC). Export would be capped by “local” rather than “wider” system capability limits (e.g. CEC and any local transmission limits as detailed in the bilateral agreement), subject to continued Grid Code compliance. The additional volume of entry access used above existing entry access capacity holding would be ‘Entry Overrun’.</p> <p>For the purposes of this amendment, it is suggested that the charging arrangements (codified in the charging methodologies) for Entry Overrun would establish charges related to the cost imposed of accommodating Entry Overrun.</p> <p>Appropriate credit will be required. The level required would be established in the assessment stage in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover.</p> <p>This amendment includes a revised process for ‘local only’ applications (connection without long-term entry rights for the wider system) and a change in the nature of long-term and short-term entry rights from nodal to zonal. The zones used would be consistent across all long-term and short-term products. The proposer suggests that in order to ensure equitable treatment of non locational asset costs that the residual charge should be commoditised.</p>	<p><b>Current status and progress</b></p> <ul style="list-style-type: none"> <li>▪ CAP162 was presented to the April 2008 Panel meeting. The Panel decided that CAP162 should proceed to Working Group.</li> </ul>
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**Proposer** National Grid

**Submitted** 25/04/08

**Submitted Priority** Normal

**Amendment Description**

It is proposed that National Grid would be permitted to release additional entry rights in operational timescales, the short term. These short-term entry rights would be released only when National Grid believes there is spare capacity, where spare capacity is defined in economic terms as capacity for which the ex ante reserve price exceeds the associated buyback risk.

National Grid would release short-term entry rights through auction(s) in operational timescales. The mechanics of the auction will be established in the assessment phase. The rights would be zonal with a duration optimised to best meet both User and System Operator requirements, to be agreed in the assessment. The additional entry rights may be offered through auctions in different timescales, e.g. x weeks ahead for a weekly right or year ahead for a quarterly right. Close to real time there may be a preliminary stage of the auction to ascertain interest and justify the analysis involved in producing the auction information and to allow auction zone volumes to be allocated more efficiently.

Full details of the proposal are available at <http://www.nationalgrid.com/NR/ronlyres/B0147FE5-DA07-4C15-AB77-9DB979CF89A0/25149/CAP161SystemOperatorReleaseofShorttermEntryRights.pdf>

**Current status and progress**

- CAP161 was presented to the April 2008 Panel meeting. The Panel decided that CAP161 should proceed to Working Group.

**Amendment Description**

National Grid

**Submitted** 25/04/08

**Submitted Priority** Normal

It is proposed to re-order the governance process for Amendment Proposals to give a more robust and extended Working Group process which would be broadly in line with the BSC. This process would involve:

1. An extended working group phase of 4 months, which would include a consultation on the proposed Amendment to gain industry views. We anticipate that the precise time for consultation would be at the discretion of the Working Group Chair but would anticipate that this consultation would occur once the Working Group had 'worked up' the detail of the important aspects of the modification;
2. The results of the Working Group consultation, including consideration of any suggested alternative approaches to the defect would then be considered by the Working Group in its continuing work.
3. Once complete, Working Group would then submit a draft Amendment Report to the CUSC Amendments Panel for consideration.
4. The draft Amendment report would be discussed by the Panel. If the report is accepted by the Panel, the Panel discussion and views would be added to the draft report to form the Amendment Report.
5. Following the Amendment Report Consultation if new a issue arose the Panel could chose to return to the Working Group or instigate a Working Group for further work, subject to time constraints.
6. The Amendment report would be consulted on for a further period before returning to the Panel for final vote.
7. The CUSC Panel would then vote as per the existing process

Note for Amendment Proposals that do not go to Working Group , the Amendment Proposal would go straight to consultation with the inclusion of any Panel comments and discussion, and return to Panel at step 5 for discussion on the Consultation responses.

Under this process, the only stage of the proposed Amendment Process that would allow for alternatives to a CUSC Amendment Proposal is the Working Group stage. The aim of this is to ensure that any alternative options raised by the industry in consultation or by Working Group members can be fully considered by the experts on the Working Group.

This process would create a governance process similar to the BSC process and therefore create consistent code governance

**Current status and progress**

CAP160 was presented to the April 2008 Panel meeting. The Panel decided that CAP160 should proceed to Consultation for 4 weeks.

**CAP159**

## CUSC AMENDMENT REGISTER – as at 30<sup>th</sup> April 2008

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Proposer	Arrangements for CUSC Mid- Term elections		
Amendment Description	Submitted	Submitted	Submitted
National Grid	6/12/07	Normal	Priority
<b>Current status and progress</b>			
<p>The objective of this amendment is to allow for a mid-term election of Panel Member and Alternates should a Panel Member resign or be unable to undertake their Panel duties and there are no elected Alternates to replace them.</p> <p>It is proposed to introduce a mid term election process.</p> <p>The process would be as the main elections which are held every 2 years CUSC 8A; in summary:</p> <ul style="list-style-type: none"><li>▪ Notification would be issued stating an election with be held and the process including the timescales</li><li>▪ A nomination period for CUSC signatories to nominate a new representative</li><li>▪ Should more than one person be nominated then a voting process would take place as per the main CUSC Panel elections</li><li>▪ An voting period for all CUSC Signatories</li><li>▪ The nominee receiving the highest number of votes would become a Panel Member and the remaining nominee(s) would become alternate members for the remaining Panel term in accordance with CUSC 8A.3.7.1</li></ul> <p>It should be noted that this facility would only be used if there was a 6 months term or more remaining of the Panel and all current Panel Members appointments would continue until the next main election.</p>	<ul style="list-style-type: none"><li>▪ CAP159 was presented to the December 2007 Panel meeting. The Panel decided that CAP159 should proceed to Consultation for 4 weeks. The Consultation document was published on 17<sup>th</sup> December with a closing date for response of 14<sup>th</sup> January 2008. The Panel voted on CAP159 on 25<sup>th</sup> January 2008. The Authority approved CAP159 on 27<sup>th</sup> February with immediate implementation.</li></ul>		

**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. The Working Group Report was presented to the October Panel, it was approved with minor amendments. The Panel agreed for CAP157 to Proceed to Consultation for 4 weeks. The Consultation Report was issued on 2<sup>nd</sup> November with a closing date of 29<sup>th</sup> November 2007. The Panel voted on CAP157 on 14<sup>th</sup> December 2007. The Amendment Report was submitted to the Authority for consideration on 24<sup>th</sup> December 2007. The Authority approved CAP157 on 31<sup>st</sup> January with an implementation date of 14<sup>th</sup> February 2008.

**Exhibit I Revisions**

**CAP155**

**Proposer** National Grid

**Submitted** 21/06/07

**Submitted Priority** Normal

**Amendment Description**

Various amendments to Exhibit I

**Current status and progress**

- CAP155 was presented to the June 2007 Panel meeting. The Panel decided that CAP155 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18<sup>th</sup> July. The Working Group Report was presented to the September Panel. The Panel agreed for CAP155 to Proceed to Consultation for 4 weeks. CAP155 was issued for Consultation on 19<sup>th</sup> October, with a closing date for responses of 16<sup>th</sup> November. The Panel voted on CAP155 on 14<sup>th</sup> December 2007. The Amendment Report was submitted to the Authority for consideration on 24<sup>th</sup> December 2007. The Authority approved WGAA on 31<sup>st</sup> January with an implementation date of 14<sup>th</sup> February 2008.



**Exhibit F Revisions**

<p><b>CAP154</b></p> <p><b>Proposer</b> National Grid</p> <p><b>Amendment Description</b> Various amendments to Exhibit F</p>	<p><b>Submitted</b> 21/06/07</p>	<p><b>Submitted</b> <b>Priority</b> Normal</p>	<p><b>Current status and progress</b></p> <ul style="list-style-type: none"> <li>▪ 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<sup>th</sup> July. The Working Group Report was presented to the September Panel. The Panel agreed for CAP154 to Proceed to Consultation for 4 weeks. CAP154 was issued for Consultation on 19<sup>th</sup> October, with a closing date for responses of 16<sup>th</sup> November. The Panel voted on CAP154 on 14<sup>th</sup> December 2007. The Amendment Report was submitted to the Authority for consideration on 24<sup>th</sup> December 2007. The Authority approved WGAA on 31<sup>st</sup> January with an implementation date of 14<sup>th</sup> February 2008.</li> </ul>
<p><b>CAP153</b> National Grid</p> <p><b>Proposer</b></p> <p><b>Amendment Description</b> Various amendments to Exhibit D</p>	<p><b>Submitted</b> 21/06/07</p>	<p><b>Submitted</b> <b>Priority</b> Normal</p>	<p><b>Current status and progress</b></p> <ul style="list-style-type: none"> <li>▪ CAP153 was presented to the June 2007 Panel meeting. The Panel decided that CAP153 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18<sup>th</sup> July. The Working Group Report was presented to the September Panel. The Panel agreed for CAP153 to Proceed to Consultation for 4 weeks. CAP153 was issued for Consultation on 19<sup>th</sup> October, with a closing date for responses of 16<sup>th</sup> November. The Panel voted on CAP153 on 14<sup>th</sup> December 2007. The Amendment Report was submitted to the Authority for consideration on 24<sup>th</sup> December 2007. The Authority approved WGAA on 31<sup>st</sup> January with an implementation date of 14<sup>th</sup> February 2008.</li> </ul>

**CAP152**

**Proposer** National Grid

**Submitted** 21/06/07 **Submitted Priority** Normal

**Amendment Description**

Various amendments to Exhibit B

**Exhibit B Revisions**

**Current status and progress**

- CAP152 was presented to the June 2007 Panel meeting. The Panel decided that CAP152 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18<sup>th</sup> July. The Working Group Report was presented to the September Panel. The Panel agreed for CAP152 to Proceed to Consultation for 4 weeks. CAP152 was issued for Consultation on 19<sup>th</sup> October, with a closing date for responses of 16<sup>th</sup> November. The Panel voted on CAP152 on 14<sup>th</sup> December 2007. The Amendment Report was submitted to the Authority for consideration on 24<sup>th</sup> December 2007. The Authority approved WGAA on 31<sup>st</sup> January with an implementation date of 14<sup>th</sup> February 2008.

**Construction Agreements Works Register**

**CAP151**

**Proposer** National Grid

**Submitted** 21/06/07 **Submitted Priority** Normal

**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.

**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<sup>th</sup> July. The Working Group Report was presented to the September Panel. The Panel agreed for CAP151 to Proceed to Consultation for 4 weeks. CAP151 was issued for Consultation on 5<sup>th</sup> October, with a closing date for responses of 2<sup>nd</sup> November. The Panel voted on CAP151 on 20<sup>th</sup> November 2007. The Amendment Report was submitted to the Authority for consideration on 18<sup>th</sup> December 2007. The Authority approved on 25<sup>th</sup> January with an implementation date of 8<sup>th</sup> February 2008.

## Capacity Reduction

### CAP150

**Proposer** National Grid

**Submitted** 21/06/07

**Submitted**  
**Priority** Normal

#### Amendment Description

It is proposed to amend the CUSC to enable The Company to ascertain whether a User's power station project (Project) will be capable of utilising the transmission capacity provided for in its Bilateral Agreement by the Completion Date. If the User is unable to provide satisfactory evidence that this is the case then The Company would have the right to propose changes to the User's Bilateral Agreement and Construction Agreement to reduce the capacity to an appropriate level and revise the Construction Works as necessary to reflect this. In addition The Company has the ability to recover the cost from the User of any abortive works (or relevant User Commitment Charges) as a consequence of this reduction in capacity and for The Company's costs associated with processing such changes (as if the changes were requested by the User) on same basis as Modification application Fees.

#### Current status and progress

- CAP150 was presented to the June 2007 Panel meeting. The Panel decided that CAP150 should proceed to Working Group for 3 months. The first Working Group meeting was held on 18<sup>th</sup> July. A request for a month's extension was made at the September CUSC Panel, this was approved by the Authority. The Working Group Report was presented to the October Panel, it was approved with minor amendments. The Panel agreed for CAP150 to Proceed to Consultation for 4 weeks. CAP150 was issued for Consultation on 29<sup>th</sup> November, with a closing date for responses of 27<sup>th</sup> December. A Consultation Alternative was issued on 30<sup>th</sup> January with a closing date of 13<sup>th</sup> February. The Panel voted on CAP150 on 29<sup>th</sup> February 2008. The Amendment Report was submitted to the Authority for consideration on 28<sup>th</sup> March 2008.

**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 25<sup>th</sup> July. The Working Group Report was presented to the September Panel, it was approved with minor amendments. The Panel agreed for CAP149 to Proceed to Consultation for 4 weeks. CAP149 was issued for Consultation on 19<sup>th</sup> October, with a closing date for responses of 16<sup>th</sup> November. A Consultation Alternative was issued on 7<sup>th</sup> December with a closing date of 21<sup>st</sup> December. The Panel voted on CAP149 on 25<sup>th</sup> January 2008. At the February 2008 CUSC Panel, the Panel were requested to vote on the disparity between the proposed implementation dates and whether Scottish and Southern Energy's comments had been reflected accurately. The Amendment Report was submitted to the Authority for consideration on 17<sup>th</sup> March 2008. **The Authority approved CAP149 on 23<sup>th</sup> April with an implementation date of 24<sup>th</sup> May 2008.**

**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 21<sup>st</sup> May. At the June CUSC Panel an extension for a further month was granted. The Report was presented at the August Panel, a request was made for further information to be added, which will be e-mailed to the CUSC Panel for approval of the Working Group Report. The Working Group Report was accepted by the CUSC Panel, and CAP148 was issued for Consultation on 28<sup>th</sup> September, with a closing date for responses of 26<sup>th</sup> October. The Panel voted on CAP148 on 30<sup>th</sup> November 2007. The Amendment Report was submitted to the Authority for consideration on 14<sup>th</sup> December 2007.

**Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification Affected Users**

**CAP146**

**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 27<sup>th</sup> April 2007, it was agreed to proceed to Consultation for 5 weeks to allow for Bank Holidays. The Consultation was issued on 25<sup>th</sup> May with a closing date of 29<sup>th</sup> June. A Consultation Alternative was issued on 12<sup>th</sup> July with a closing date of 26<sup>th</sup> July. The Panel voted on CAP146 on 31<sup>st</sup> August 2007. The Amendment Report was submitted to the Authority for consideration on 11<sup>th</sup> September 2007. The Authority approved WGAA D on 12th December with an implementation date of 12th January 2008.

**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 16<sup>th</sup> March with a closing date of 13<sup>th</sup> 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 8<sup>th</sup> May. The Panel voted on CAP131 on 29<sup>th</sup> June 2007, details of the vote were issued to the CUSC Panel for 5 days on 2<sup>nd</sup> July 2007. The Amendment Report was issued to the Authority on 24<sup>th</sup> July 2007.

### Modification Register part 1 – Pending Modifications

<b>Mod No.</b>	<b>Urgent</b>	<b>Title</b>	<b>Description</b>	<b>Date Raised</b>	<b>Proposer Organisation</b>	<b>Mod Group</b>	<b>Status</b>
<b>P198</b>	—	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 <b>RWE NPOWER</b>	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.
<b>P200</b>	—	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 <b>TEESIDE POWER</b>	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.
<b>P203</b>	—	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 <b>RWE NPOWER</b>	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 <b>BRITISH ENERGY</b>	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 utilised 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 <b>EDF ENERGY</b>	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. The Authority deferred a decision until the second decision date October 2008 so that it may be considered alongside P217.
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 <b>RWE Npower</b>	P217 MG	In the Assessment Phase P217 is undergoing a 4.5 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 12 June 2008.

<b>Mod No.</b>	<b>Urgent</b>	<b>Title</b>	<b>Description</b>	<b>Date Raised</b>	<b>Proposer Organisation</b>	<b>Mod Group</b>	<b>Status</b>
<b>P218</b>	—	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 <b>Good Energy Limited</b>	P218 MG	<p>Sent to the Authority for decision on 11 April 2008.</p> <p>BSC Panel's recommendation is that both the Proposed Modification and Alternative Modifications should not be made.</p>
<b>P222</b>	—	Provision of EAC and AA data to Distributors	<p>This proposal seeks to implement a solution where DSOs receive estimated annual consumption (EAC) or annualised advance (AA) information for non half hourly sites where use of system charges are settled on an aggregated basis (i.e. where consumption data is provided by the D0030 flow). It is proposed that this information be provided by the non half-hourly data collector sending a D0019 flow to the relevant DSO. This modification proposal follows on from work undertaken as part of Issue 31. A report on Issue 31 is expected to be submitted to the BSC Panel meeting of 14 February 2008.</p>	01/02/08	Mike Harding <b>The Electricity Network Company Limited</b>	P222 MG	<p>In the Report Phase</p> <p>P222 is in the Report Phase with an draft Modification Report to be presented to the BSC Panel on 12 June 2008.</p>
<b>P223</b>	—	Improvements to the Profile Administrator Service	<p>Issues with the current Profile Administration process have lead to data accuracy problems with the load research sample; these have included difficulties with maintaining a sufficient number of participants and collecting a sufficient amount of data for the Profile Administration sample.</p> <p>This modification seeks to improve the process of maintaining sufficient numbers of representative customers in Great Britain in each Profile Class in the Profile Administration Sample, to ensure that the necessary amount of data is used in the derivation of Profiles. This modification therefore seeks to improve quality of these profiles to maintain the accuracy and integrity of the Non Half Hourly Settlement processes.</p>	10/04/08	BSC Panel	P223 MG	<p>In the Assessment Phase</p> <p>P223 is undergoing a 3 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 10 July 2008</p>



<b>Mod No.</b>	<b>Urgent</b>	<b>Title</b>	<b>Description</b>	<b>Date Raised</b>	<b>Proposer Organisation</b>	<b>Mod Group</b>	<b>Status</b>
<b>P224</b>	—	Reactive Power Flows Associated with Exemptable Generating Plant	Section K of the Balancing and Settlement Code (BSC) currently prevents Parties other than Licensed Suppliers from taking responsibility for Reactive Power flows absorbed (imported) by Licence exempt generating plant (Exemptable Generating Plant). This proposal seeks to alter the Code such that Parties other than licensed suppliers may take responsibility for reactive power flows absorbed by licence exempt generating plant.	28/04/08	Ben Sheehy <b>E.ON UK plc</b>	P224 MG	In the Assessment Phase P224 is undergoing a 3 month Assessment Phase with an Assessment Report to be presented to the BSC Panel on 14 August 2008

## Consultation Papers - Current Status Report – May 2008

Paper Ref.	Grid Code Change Reference	Current Status	Notes
G/06	Power Park Modules and Synchronous Generating Units	Implemented*	Authority decision received on 25 March 2008 with an implementation date of 1 <sup>st</sup> April 2008 or 1 <sup>st</sup> January 2009.  *The Authority rejected that part of G/06 relating to the harmonisation of the point of voltage control and point of reactive capability requirement.
B/07	Improved Planning Code Data Exchange for Compliance Assessments	Pending Authority Decision	Submitted to the Authority on 28 <sup>th</sup> September 2007.
F/07	Grid Code Requirements for Current Sourced DC Links	Implemented	Authority decision received on 28th March 2008 with an implementation date of 1 <sup>st</sup> April 2008.
G/07	Black Start	Consultation Closed	Consultation closed on 31 <sup>st</sup> January 2008. 8 responses received.
A/08	Emergency Instruction to Emergency De-energise	Consultation Closed	Consultation closed on 28 <sup>th</sup> March 2008. 5 responses received.