

# Stage 02: Approved CUSC Modification Fast Track Report

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## CMP279:

**Mod Title:** Housekeeping modification to amend typographical errors in the CMP272 legal text.

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**Purpose of Modification:** The Authority when making its decision to approve the implementation of CMP272<sup>1</sup> noted three legal text errors in the Final Modification Report and recommended that these should be corrected via a Housekeeping Modification.

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**The Panel reviewed the Modification and unanimously determined that the Proposal met the fast track self-governance criteria and should therefore be implemented subject to a 15 day appeals window.**

- The appeals window is open from the 4 May 2017 to 25 May 2017.



**Low Impact:** CUSC Parties, CUSC Panel and the Authority

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What stage is this document at?

01

Draft CUSC  
Modification  
Report

02

Approved CUSC  
Modification Fast  
Track Report

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<sup>1</sup> Information on CMP272 and Ofgem's decision letter can be found using the following link:  
<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP272/>

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### Any Questions?

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## Timetable

The Code Administrator will update the timetable.

### The Code Administrator recommends the following timetable:

Draft Fast track self-governance report issued to the CUSC Panel	20 April 2017
Draft Fast track self-governance Modification Report presented to Panel	28 April 2017
Modification Panel decision	28 April 2017
Appeals Window (15 Working Days) opens	4 May 2017
Implementation	31 May 2017

## Proposer details

<b>Details of Proposer:</b> (Organisation Name)	National Grid
Capacity in which the CUSC Modification Proposal is being proposed: <i>(i.e. CUSC Party, BSC Party or "National Consumer Council")</i>	Code Administration, National Grid
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	Lurrentia Walker Code Administration, National Grid 07976 940855 <a href="mailto:lurrentia.walker@nationalgrid.com">lurrentia.walker@nationalgrid.com</a>
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Caroline Wright Code Administration, National Grid 07970 498249 <a href="mailto:Caroline.wright@nationalgrid.com">Caroline.wright@nationalgrid.com</a>
<b>Attachments (Yes/No): No</b>	

**Impact on Core Industry Documentation. Please mark the relevant boxes with an "x" and provide any supporting information**

**BSC**

**Grid Code**

**STC**

**Other**

<input type="checkbox"/>
<input type="checkbox"/>
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*Not applicable*

## 1 Summary

### Defect

The Authority, when making its decision to approve the implementation of CMP272, noted three legal text errors in the Final Modification Report and recommended that these should be corrected via a Housekeeping Modification.

### What

CMP272 was raised to align Condition C5 and C10 of the CUSC to the licence changes introduced by the Code Governance Review Phase 3. The CUSC Modification Panel at its February 2017 meeting unanimously considered that CMP272 better facilitated the CUSC objectives and recommend CMP272 for approval. On the 7 March 2017 the Authority directed that CMP272 should be implemented on 14 March but noted that there were 3 typographical errors in the legal text that should be corrected using a Fast Track Self-Governance Housekeeping Modification.

### Why

The Authority, when noting the typographical errors provided the following rationale:

- 8.17A.1: In work group discussions, it was agreed that the words “pursuant to 8.17A.1(a)” should be deleted, however, “or, pursuant to 8.17A.1(a)” has been removed. Deleting the word “or” changes the meaning of this paragraph. The drafting should reflect that the Authority are able to raise a modification proposal or direct the licensee to raise a modification proposal if a change is required by EU law or if the change is in respect of an SCR.
- 8.17.6A: In this paragraph reference to “8.17C.1” incorrectly reads “8.17.C,1” (incorrect use of a comma).
- 8.17.6A: The use of the word “issue” in the first line should read as “issues”. If the Authority issues a statement that it will continue work and/or **issue** a direction in accordance with Paragraph 8.17.C,1 then the Significant Code Review Phase will be deemed to have ended when .....

These issues were discussed with the Workgroup who agreed with the Authority’s comments.

### How

It is proposed that a Fast Track Self-Governance Housekeeping Modification is raised to amend the following clauses in Section 8 ‘Modifications’ of the CUSC:

- 8.17A.1: re-insert “or”
- 8.17.6A: amend the clause to 8.17C.1
- 8.17.6A: amend the clause to *“If the Authority issues a statement that it will continue work and/or **issue** a direction in accordance with Paragraph 8.17.C,1*

*then the Significant Code Review Phase will be deemed to have ended when  
.....”*

The track changed amendments are included in Section 5 of this Proposal.

## 2 Governance

### **The Panel’s view on the Proposer’s Justification for Fast Track Self-Governance Procedures**

The CUSC Panel reviewed the Modification Proposal at their Panel meeting on 28 April 2017 and unanimously agreed with the Proposer’s recommendation that the Proposal should follow the Fast Track Self-Governance Procedure. The Panel agreed that the changes meet the required criteria as the changes look to:

- i) Correct minor typographical errors;
- ii) Correct formatting and consistency errors, such as paragraph numbering, or;

The Self-Governance criteria is also met as the modification is unlikely to discriminate between different classes of CUSC Parties and is unlikely to have a material effect on:

- i) Existing or future electricity customers;
- ii) Competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity,
- iii) The operation of the National Electricity Transmission System
- iv) Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies
- v) The CUSC’s governance procedures or the CUSC’s modification procedures

For information, the full Fast Track Self-Governance criteria are listed below and can be found in Guidance<sup>2</sup>

- Rectify internal inconsistencies;
- Remove outdated (or redundant) information;
- Correct typographical errors in the CUSC; or
- Further development / detail existing processes or code arrangements (without introducing new requirements upon code parties which significantly impact business practices or systems).

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<sup>2</sup> The following link provides guidance on what can be considered under self governance and fast track changes <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Cacop/>

### 3 Why Change?

CMP279 will correctly reflect the changes required under CMP272 to Section 8 'Governance' of the CUSC.

### 4 Code Specific Matters

None identified for this Proposal.

### 5 Solution/legal text changes

It is proposed that the following changes are made to Section 8 of the CUSC:

- 8.17A.1 The **Authority** may:
- (a) itself; or
  - (b) direct **The Company** to raise a **CUSC Modification Proposal** where the **Authority** reasonably considers that such **CUSC Modification Proposal** is necessary to comply with or implement the **Electricity Regulation** and/or any relevant legally binding decisions of the European Commission and/or the **Agency** ~~or~~ in respect of a Significant Code Review.
- 8.17.6A If the Authority issues a statement that it will continue work and/or ~~issue issues~~ a direction in accordance with Paragraph ~~8.17.C.1~~ **8.17.C.1** then the Significant Code Review Phase will be deemed to have ended when:

### 6 Impacts and Other Considerations

#### Consumer Impacts

The Proposer considers that this will not have any material impact on consumers from the implementation of this Modification.

#### Environment Impacts:

The Proposer considers that this will not have any material impact on greenhouse gas emissions.

### Engagement with the Authority:

Ofgem has been fully engaged with the changes to the Codes and licenses that National Grid administers.

### Impacts on Codes and cross Codes:

This Modification will only impact Section 8 of the CUSC and no other Industry Codes.

## 7 Relevant Objectives

Impact of the modification on the Relevant Non-Charging Objectives:	
Relevant Objective	Identified impact
a) the efficient discharge by The Company of the obligations imposed upon it by the Act and the Transmission Licence	Positive
b) facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity.	None
c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.  These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1.	None
d) <i>To promote efficiency in the implementation and administration of the CUSC arrangements.</i>	Positive

*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).*

The Proposer believes that this change will better facilitate relevant objective (a) and (d), specifically efficiency in the implementation of the arrangements described in the CUSC, by allowing the CGR3 changes to function in the manner in which it was intended.

## 8 Implementation

It is proposed that CMP279 is implemented after the 15 Working Days Appeals window has closed, providing no objections have been raised.

The proposed implementation date will be 31May 2017.

## 9 Objections

If you wish to raise an objection please email the CUSC Panel Secretary at [CUSC.Team@nationalgrid.com](mailto:CUSC.Team@nationalgrid.com), with an explanation as to why you believe the CUSC Modification Fast Track Proposal does not meet the Fast Track Criteria by **5:00pm on 25 May 2017**.

The Approved CUSC Modification Fast Track Proposal will not be implemented if an objection is received.

The CUSC Panel Secretary will notify the CUSC Panel, the Authority and CUSC Parties if an objection is received.

The CUSC Panel Secretary shall notify the Proposer, the additional information required, should the Proposer wish the CUSC Fast Track Modification to continue.