

## Codes Summary

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

### **CUSC**

The **CUSC Amendments Panel** met on 29<sup>th</sup> June 2007 and the headlines can be found at [http://www.nationalgrid.com/NR/rdoonlyres/64630A9D-D3EC-4082-8C6F-318E3961ACF1/18233/Headlines\\_29June.pdf](http://www.nationalgrid.com/NR/rdoonlyres/64630A9D-D3EC-4082-8C6F-318E3961ACF1/18233/Headlines_29June.pdf)

- CAP131 (User Commitment for New and Existing Generators) Consultation Alternative document issued on 8<sup>th</sup> May with a closing date for comments of 21<sup>st</sup> May 2007. The June CUSC Panel voted on 29<sup>th</sup> June and the final Amendment Report will be issued in July.
- CAP141 (Clarification of the content of a Response to a Request for a Statement of Works) Working Group presented to February 2007 CUSC Panel Meeting, issued for Consultation on 12<sup>th</sup> April, with a closing date of 17<sup>th</sup> May. The draft amendment report was issued in July
- CAP143 (Interim Transmission Entry Capacity (ITEC) Product) Consultation Alternative issued on 3<sup>rd</sup> July with a closing date of 17<sup>th</sup> July.
- CAP144 (Emergency Instruction to emergency deenergise) Consultation Alternative issued on 3<sup>rd</sup> July with a closing date of 17<sup>th</sup> July.
- CAP145 (Embedded Generator MW Register) Amendment Report issued to the Authority for consideration on 8<sup>th</sup> May 2007. The Authority approved CAP145 on 12<sup>th</sup> June for on 12<sup>th</sup> September 2007.
- CAP146 (Responsibilities and liabilities associated with Third Party Works and Modifications made by Modification Affected Users) Working Group Report presented to the April CUSC Panel, issued for Consultation 25<sup>th</sup> May with a closing date of 29<sup>th</sup> June 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.
- 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.

### **BSC**

The BSC panel met on 14 June 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. These groups are expected to last for 4 months.
- Modification P213: Facilitating microgeneration (Optional Single MPAN) has been raised and sanctioned
- Modification P214: Issues related to funds administration

### **Grid Code**

#### **Grid Code**

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

## Consultation Documents

- A/07 (Management of No System Management) Report to the Authority was submitted to Ofgem for determination on 31<sup>st</sup> May 2007.
- B/07 (Improved Planning Code Data Exchange for Compliance Assessments) was circulated to the industry for comment on 15<sup>th</sup> March 2007. Consultation period closed on 16<sup>th</sup> April 2007; with 16 replies received. There will be a second consultation on the proposed changes, which have been amended to reflect comments received from the industry.
- C/07 (Timescales for the National Grid Notification of Operational Metering) was circulated to the industry for comment on 16<sup>th</sup> May 2007, with a closing period of 18<sup>th</sup> June 2007

## Charging

### Charging for SQSS design variations

- National Grid is carrying out further analysis based on a more comprehensive dataset to be presented in a formal consultation. A formal consultation on proposed charges is expected to be issued in August.  
CAP 143 Interim TEC
- National Grid has discussed option for charging at CISG, these will only be taken forward to consultation stage following an Ofgem decision.  
CAP146 Third Party Works
- National Grid have discussed the charging implications at CISG. Third Party Works are not included within the NGET price control and so acceptance of the original would impact on either revenue or charges. In the event that Ofgem accepts either the original CUSC amendment proposal or one of the working group alternatives National Grid consider appropriate changes in light of the approval letter.  
Charging for Offshore Transmission
- NGET have issued a pre consultation on charging for offshore. The closing date for responses is 6th August.  
Cap 148 Deemed TEC.
- Charging implication will be assessed in light of the working group report. The working group report is expected to be presented to the August CUSC Panel

# AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

## As at 10 July 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/](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/)

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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/)

# AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

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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/)

**ANNEX 1**  
**STC AMENDMENT REGISTER – AS AT 3rd July 2007**

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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**

<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.

**CA025**

**Amendment to STC regarding obligations in Connection Site Specification Submissions**

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/02/07	<b>Submitted Priority</b>	Normal
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**Amendment Description**

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

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

**Current status and progress**

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

**ANNEX 1**  
**STC AMENDMENT REGISTER – AS AT 3rd July 2007**

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**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.

**CA023**

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

<b>Proposer</b>	National Grid	<b>Submitted</b>	13/02/07	<b>Submitted Priority</b>	Normal
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**Amendment Description**

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

**Current status and progress**

CA023 (Exchange of Best View Investment Planning Data Outside the Boundary of Influence) was proposed by National Grid and discussed at the February 2007 STC Committee meeting. The Committee decided that CA023 should proceed directly to the Assessment and Report Phase. The STC Committee reviewed and signed-off the Proposed Amendment Report at April's STC Committee meeting. Proposed Amendment Report circulated to industry for consultation on 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.

## CUSC AMENDMENT REGISTER – as at 4 July 2007

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

### Exhibit I Revisions

#### CAP155

**Proposer** National Grid

**Submitted** 21/06/07

**Submitted  
Priority** Normal

#### Amendment Description

Various amendments to Exhibit B

#### 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.

### Exhibit F Revisions

#### CAP154

**Proposer** National Grid

**Submitted** 21/06/07

**Submitted  
Priority** Normal

#### Amendment Description

Various amendments to Exhibit B

#### 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.

### 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.

**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.

**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.**

**Deemed Access Rights to the GB Transmission System for Renewable Generators**

**CAP147**

**Proposer** Wind Energy (Forse) Limited

**Submitted** 15/02/07

**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. The Amendment Proposal achieves this by the introduction of Deemed Transmission Entry Capacity

**Current status and progress**

- CAP147 was presented to the February Panel, the Panel believed that as this could only be assessed against the current baseline which would result in a recommendation to reject therefore the Panel believed this was the wrong arena for this issue to be raised and addressed. The Proposer subsequently issued the CUSC Panel Secretary with notice of withdrawal of support. On 26 February the Panel Secretary published to all CUSC Parties notice of the withdrawal of support. CUSC Parties have until 5 March to notify the Panel Secretary if they wish to become the new Proposer of this Amendment. The CUSC Panel of 30<sup>th</sup> March approved the Withdrawal of CAP147 as per 8.15.8 (b), a further notice was issued to all CUSC Parties on 29<sup>th</sup> March who have until 10<sup>th</sup> April to notify the Panel Secretary if they wish to become the new Proposer of CAP147. CAP147 marked as withdrawn on 11<sup>th</sup> April.

**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.

**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 15<sup>th</sup> March with a closing date of 29<sup>th</sup> March 2007. The Draft Amendment Report was issued on 19<sup>th</sup> April 2007 and the Panel voted on 27<sup>th</sup> April 2007. The Amendment Report was submitted to the Authority for consideration on 8<sup>th</sup> May 2007. **the Authority approved CAP145 on 12<sup>th</sup> June with an implementation date of 12<sup>th</sup> September.**

**CAP144**

**Proposer** National Grid

**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 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 18<sup>th</sup> May with a closing date of 22nd June. **A Consultation Alternative was issued on 3<sup>rd</sup> July with a closing date of 17<sup>th</sup> July.**

**CAP143**

**Interim Transmission Entry Capacity (“ITEC”) product**

**Proposer** SSE Generation

**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 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 4<sup>th</sup> May with a closing date of 8<sup>th</sup> June.

**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 9<sup>th</sup> March with a closing date of 10<sup>th</sup> April. The Draft Amendment Report was issued on 19<sup>th</sup> April 2007 and the Panel voted on 27<sup>th</sup> April 2007. The Amendment Report was submitted to the Authority for consideration on 8<sup>th</sup> May 2007. **the Authority approved WGAA on 7<sup>th</sup> June with an implementation date of 21<sup>st</sup> June.**

**CAP141**

**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**

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**

- 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 28<sup>th</sup> 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 12<sup>th</sup> April with a closing date of 17<sup>th</sup> May 2007. The Consultation was issued on 12<sup>th</sup> April with a closing date of 17<sup>th</sup> May 2007. As Alternatives were proposed a further period of Consultation commenced on 29<sup>th</sup> May with a closing date of 12<sup>th</sup> June 2007. **The draft Amendment Report was issued on 3<sup>rd</sup> July with a closing date for comments of 10<sup>th</sup> July.**

**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 24<sup>th</sup> February March with a closing date of 19<sup>th</sup> March 2007. The Draft Amendment Report was issued on 20<sup>th</sup> March 2007 and the Panel voted on 30<sup>th</sup> March 2007. The Amendment Report was submitted to the Authority for consideration on 19<sup>th</sup> April 2007. The Authority Approved WGAA on 24<sup>th</sup> May with an implementation date of 8<sup>th</sup> 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 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**

**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 14<sup>th</sup> February 2007. The Draft Amendment Report was issued 27<sup>th</sup> February. The Panel voted on CAP127 on 30<sup>th</sup> March 2007. The Amendment Report was issued to the Authority on 11<sup>th</sup> April 2007. The Authority approved CAA on 17<sup>th</sup> May with an implementation date of 1<sup>st</sup> June 2007.

**CAP126**

**Proposer** National Grid

**Clarification of the applicability and definition of Qualifying Guarantee and Independent Security**

**Submitted** 21/09/06

**Submitted Priority** Normal

**Amendment Description**

Currently within CUSC Section 3, a '**Qualifying Guarantee**' and '**Independent Security Arrangement**' are open to misinterpretation. The proposal seeks to rectify this issue and better align the CUSC to the original intention of Ofgem's Best Practice Guidelines, as follows;

- To move **Qualifying Guarantees** from being Collateral (i.e. part of the Security Amount) to instead determining the **User's Allowed Credit**;
- To clarify that these **Qualifying Guarantees** can only be provided by a Parent Companies;
- To clarify that where Parent Companies provides **Qualifying Guarantees** for more than one User, the **Qualifying Guarantees** in aggregate cannot exceed the value of **User's Allowed Credit** that would be extended to the Parent Company if it were a User; and
- To clarify that **Independent Security** can only be provided by entities other than a Parent Company

**Current status and progress**

- CAP126 was presented to the September 2006 Panel meeting. The Panel decided that CAP126 should proceed to working group for 2 months. The first meeting of the Working Group was held on 18 October 2006. The CUSC Panel agreed on 24 November 2006 that CAP126 should proceed to Consultation. The Consultation Report was circulated on 7 December 2006 with a closing date of 4 January 2007. A draft Amendment Report was circulated on 18<sup>th</sup> January and the vote will be held at the February CUSC Panel. The Panel voted that CAP126 better facilitated the applicable CUSC objectives on 23 February 2007. The Amendment Report was issued to the Authority on 15<sup>th</sup> March 2007. The Authority rejected CAP126 on 18<sup>th</sup> April 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 <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.
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 <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.
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 <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.
P207	—	Introduction of a new governance regime to allow a risk based Performance Assurance Framework (PAF) to be utilised and reinforce the effectiveness of the current PAF	This Modification proposes to introduce appropriate new governance arrangements to allow a risk based Performance Assurance Framework (PAF) to be utilised and to reinforce the effectiveness of the current PAF. It builds on the work undertaken in the recent PAF Review.	29/09/06	Carole Pitkeathley <b>ENERGYWATCH</b>	VASMG/ GSMG	Sent to the Authority for decision on 11 May 2007. BSC Panel's recommendation is that the Proposed Modification should be made.
P211	—	Main Imbalance Price Based on Ex-post Unconstrained Schedule	This modification seeks to amend the calculation of the "main" imbalance price such that when the market is short ( $NIV > 0$ ), System Buy Price (SBP) will be based on the least expensive Offers that the System Operator (SO) could have utilised on an unconstrained system. Conversely, when the market is long ( $NIV < 0$ ), System Sell Price (SSP) will be based on the least expensive Bids that the SO could have utilized on an unconstrained system. PAR Tagging would then be applied to the new price stack to ensure that only the most expensive 500 MWh of Bids or Offers are used to set the main price	16/04/07	Jim Beynon <b>EDF ENERGY</b>	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 <b>BIZZ ENERGY</b>	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.

Mod No.	Urgent	Title	Description	Date Raised	Proposer/ Organisation	Mod Group	Status
P213	—	Facilitating microgeneration (Optional Single MPAN)	<p>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.</p> <p>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.</p>	27/04/07	Colette Baldwin  <b>E.ON UK</b>	P213 MG	<p>In the Assessment Phase</p> <p>P213 is undergoing a 3 month Assessment Phase, with an Assessment Report to be presented to the BSC Panel on 9 August 2007</p>
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"> <li>1. Introducing electronic delivery of Advice/ Confirmation Notes;</li> <li>2. Combining the amounts from Trading Charges and each Default Charge onto one daily Advice Note;</li> <li>3. Introducing thresholds below which an Advice Note would not be produced; and</li> <li>4. Amending the Balancing and Settlement Code (BSC) to bring it in line with modern banking practices.</li> </ol> <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  <b>Scottish Power</b>	TBC	<p>In the Initial Written Assessment Phase</p> <p>The Initial Written Assessment for P214 is to be presented to the BSC Panel on 9 August 2007</p>

## Consultation Papers - Current Status Report – 10<sup>th</sup> July 2007

Paper Ref.	Grid Code Change Reference	Current Status	Notes
C/06	Control Telephony Electrical Standard	Consultation Closed	Consultation closed on 19 <sup>th</sup> September 2006, 8 replies received.
F/06	Control and System Telephony	Consultation Closed	Consultation closed on 17 <sup>th</sup> January 2007, 7 replies received.
G/06	Power Park Modules and Synchronous Generating Units	Consultation Closed	Consultation closed on 18 <sup>th</sup> January 2007, 16 replies received.
A/07	Management of No System Connection	Approved	Ofgem approved the proposal on 28 <sup>th</sup> June 2007, with an implementation date of 16 <sup>th</sup> July 2007
B/07	Improved Planning Code Data Exchange for Compliance Assessments	Consultation Closed	Consultation closing period 16 <sup>th</sup> April 2007, 16 replies received.
C/07	Timescales for the National Grid Notification of Operational Metering	Consultation Closed	Consultation closed on 18 <sup>th</sup> June 2007, 4 replies received.