

Request for Urgency of CAP170

National Grid believes that this Amendment Proposal merits progress via an urgent amendments process, as the nature of the proposal exhibits the following characteristics:

- The proposal is linked to an imminent date related event
- There is a very real likelihood of significant commercial impact upon, NGET, industry parties, or customers if the Amendment Proposal is not treated as urgent

On the 17th of February 2009 Ofgem wrote to National Grid asking us to conduct an urgent review to consider (and if appropriate consult on) whether urgent changes to the existing commercial and charging arrangements for access to the GB transmission system are necessary before the next charging year (starting April 2009). Moreover, as Ofgem indicate in this letter, the rate at which constraint costs are incurred will increase significantly in the next few weeks (when the planned Cheviot outage programme commences). Therefore, this proposal is linked to an imminent date related event.

Furthermore, the amendment seeks to limit the price of intertrips (not classified as System to Generator Operational Intertripping Schemes) at derogated transmission boundaries, and in doing so limit the potential contribution to constraint costs. As all industry parties are charged for the cost of constraints, and this charge is ultimately passed on to consumers, this Amendment Proposal also has the potential to have significant commercial impact on both the industry and consumers.

Therefore, National Grid believes that it is appropriate that the proposal is considered in an expedited manner.

National Grid would propose that the amendment proceeds straight to company consultation under the urgent process based on the following timetable:

- | | |
|---|---------------------------|
| ▪ Amendment Raised and approved as urgent | 27 th February |
| ▪ Launch of Company Consultation | 3 rd March |
| ▪ Close of Company Consultation | 13 th March |
| ▪ Report to industry for comment | 19 th March |
| ▪ Industry comment closes | 21 st March |
| ▪ Panel vote | 25 th March |
| ▪ Report to Authority | 27 th March |

National Grid is aware that this timetable does not allow for Working Group development of the Amendment Proposal (and consequently does not allow for alternatives to be raised); therefore, following implementation of this amendment proposal, in accordance with CUSC section 8.21.1.9, a full review will be necessary.