

CUSC Parties

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Dear CUSC Parties,

I am writing to inform you of the potential impact CAP160 (*Improvements to the assessment of Amendments*) if implemented could have on the current Amendment proposals, CAP161 to 167. FYI CAP160 was submitted to the Authority for determination today.

As you are aware CAP160 was proposed by National Grid following discussions at the Governance Standing Group (GSG). The proposal seeks to amend the CUSC governance process for new Amendment Proposals by extending the Working Group process, broadly in line with the BSC, and was submitted to the Authority for approval on 25th July 2008.

Background

In summary, CAP160 extends the Working Group process and requires that group to undertake a period of Consultation. At the Work Group Consultation stage, parties will be able to raise WG Consultation Alternative Requests and raise any issues for that group to consider. The WG Consultation Alternative Request is not an Alternative (as currently defined in the CUSC) but a request for the Working Group to consider their issue or proposal. If the majority of the Working Group or the chair believes it is a valid issue / proposal the Working Group will amend the draft Working Group Alternative(s) or raise a new Alternative. The Working Group will prepare a report for the Panel and the Amendment will follow the existing process but CUSC Parties will be unable to raise Consultation Alternatives. For further information a copy of the CAP160 Amendment report can be found on National Grid's website.

Impacts

CAP161 to CAP166

CAP161 to 166 Working Groups are due to report back to the CUSC Amendments Panel on 26th September 2008 following an extension of 2 months. If CAP160 is approved before the 26th September the timetable for the CAP161 to CAP166 Working Group will be affected. For the avoidance of doubt if CAP160 is approved after the 26th September CAP161 to 166 will follow the existing process.

Process diagrams are attached that summarise the existing process and the new process if CAP160 is approved.

In summary, if CAP160 is approved before the 26th September the CAP161 to 166 Working Groups will be extended by one month to undertake a period of Consultation. CUSC Parties will be able to respond to the Consultation and raise WG Consultation Alternative Requests. The final Working Group report will be presented to the October/ November CUSC Amendment Panel. The existing process will continue but the National Grid Consultation period will be reduced from 4 to 2 weeks and CUSC Parties will be unable to raise Consultation Alternatives.

CAP167

CAP167 Working Group is due to report back to the CUSC Amendments Panel on 29th August 2008. If CAP160 is approved in August the timetable for the CAP167 Working Group will be affected. For the avoidance of doubt if CAP160 is approved after the 29th August CAP167 will follow the existing process.

Process diagrams are attached that summarise the existing process and the new process, if CAP160 is approved.

In summary, if CAP160 is approved before the Working Group reports to the Panel the Working Group will be extended by one month to undertake a period of Consultation. CUSC Parties will be able to respond to the Consultation and raise WG Consultation Alternative Requests. The final Working Group report will be presented to the September CUSC Amendment Panel. The existing process will continue but the National Grid Consultation period will be reduced from 4 to 2 weeks and CUSC Parties will be unable to raise Consultation Alternatives.

If you have any queries regarding this letter please contact Emma Carr at National Grid on 01926 655843 or emma.j.carr@uk.ngrid.com.

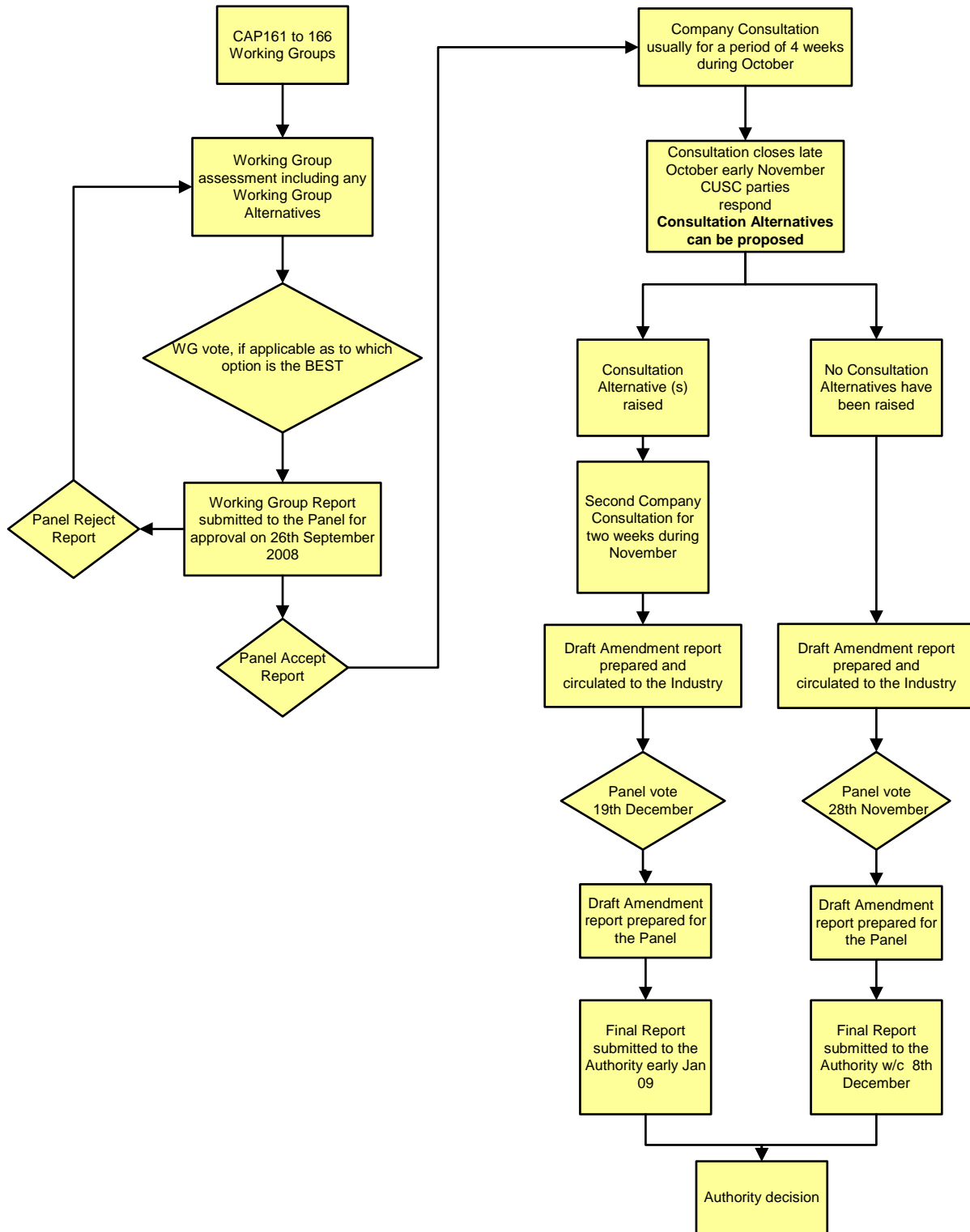
Yours faithfully,

Alison Kay by email

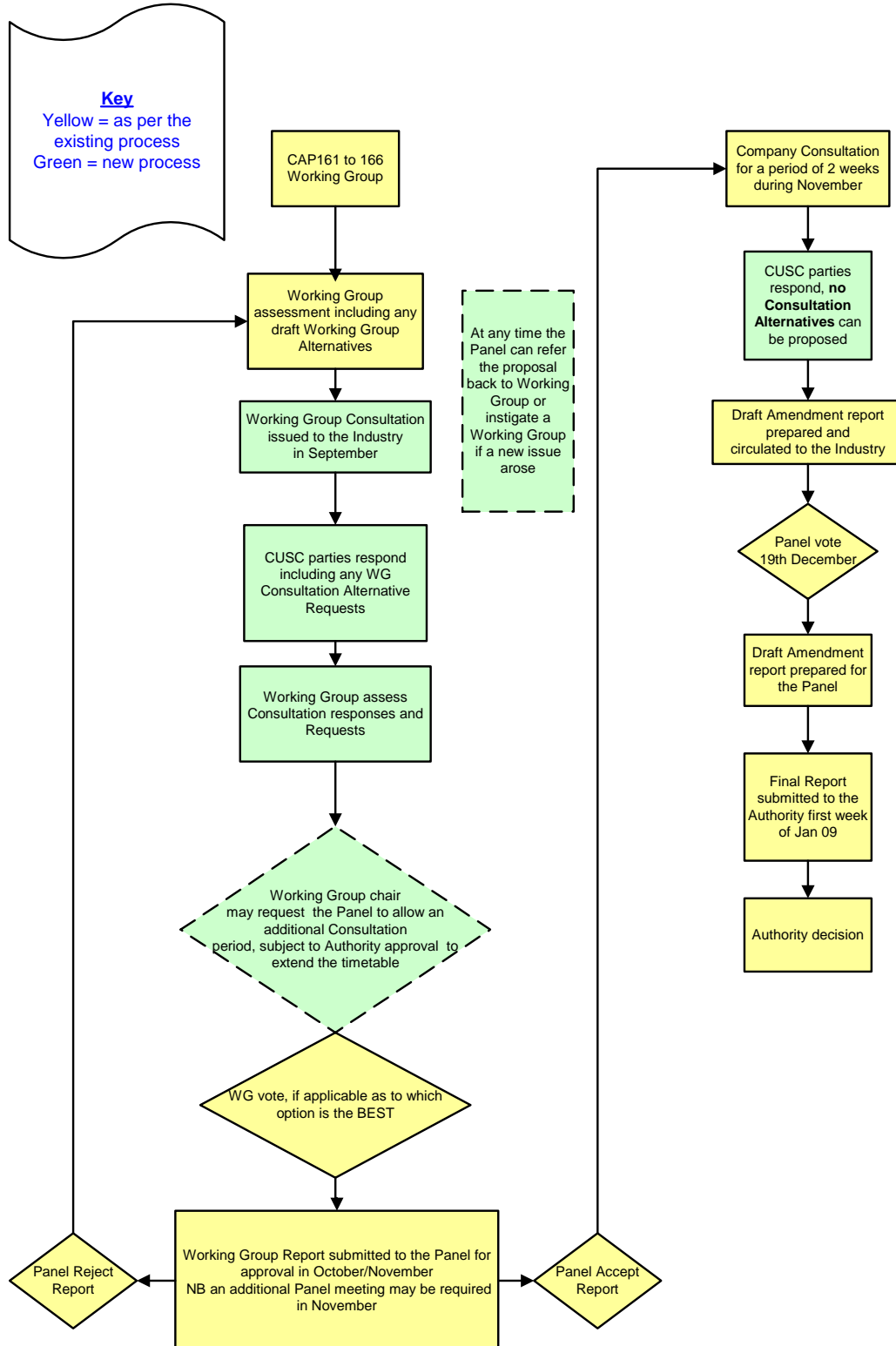
On behalf of the CUSC Amendments Panel

Annex – Process Diagrams

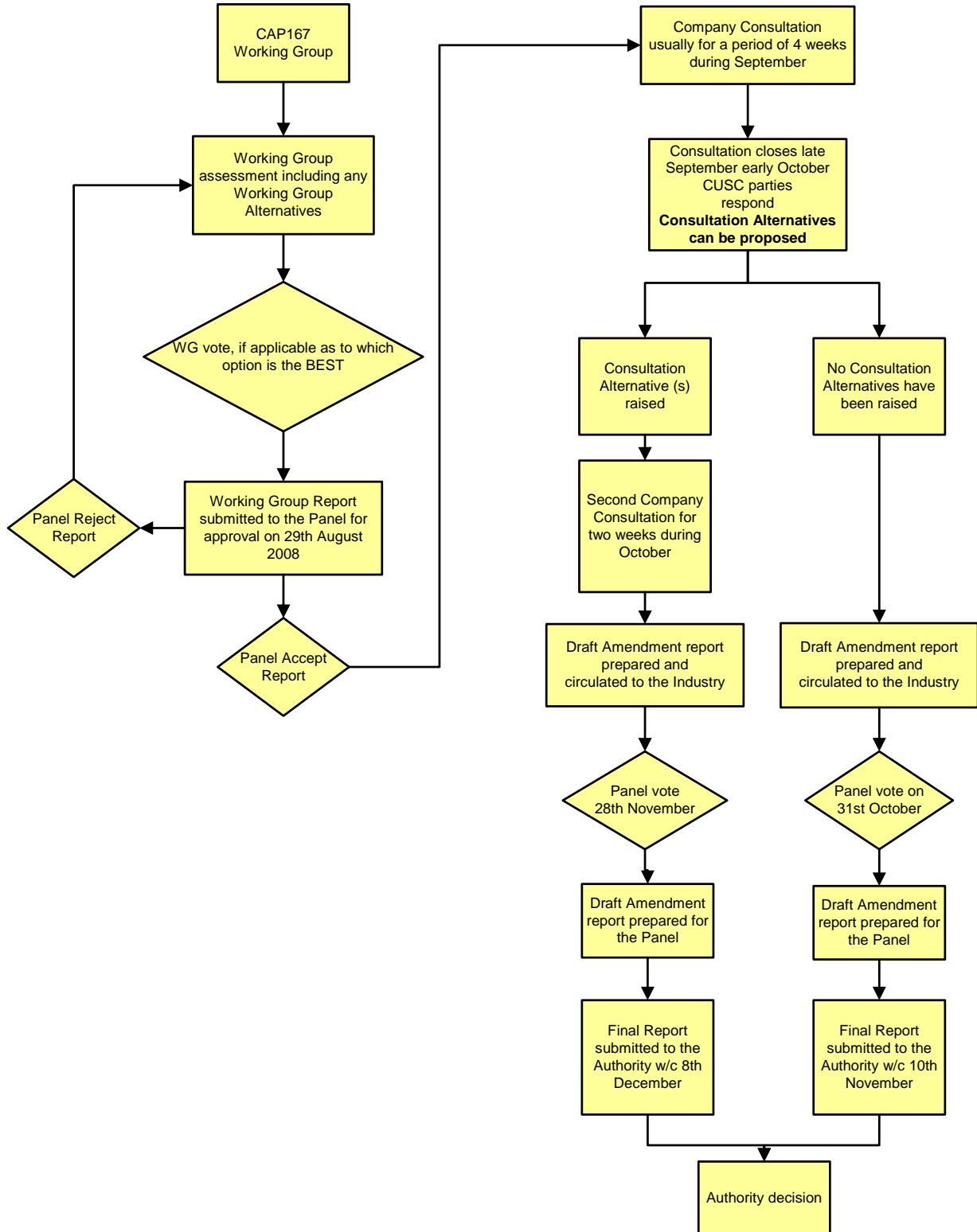
CAP161 to 166 Existing Process



CAP161 to 166 – New process under CAP160



CAP167 Existing Process



CAP167 New process under CAP160

