

The National Grid Company plc

**Connection Charging Methodology
Modification Proposal**

CCM-M-01

**Clarification Modification to
The Statement of the Connection Charging
Methodology**

19 September 2001

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Executive Summary

This paper sets out for consultation National Grid's proposed modification to the Statement of the Connection Charging Methodology to improve accuracy and clarity.

Outline of Proposed Modification

Description of proposed modification To correct a mis-translation from the April 2001 LC10 to the Statement of the Connection Charging Methodology.
Explanation of the issue To add in to Chapter 1, paragraph 1.12 (last bullet) that the generation adjustment applied to Generation Only Spurs is applicable only at 400kV and/or 275kV generation sites.
Justification for proposed modification To make the Statement of the Connection Charging Methodology materially correct.
Suggested alternatives None
Implementation date 1 October 2001
Proposed changes to the Statement of the Connection Charging Methodology Generation adjustments (at 400kV and/or 275kV generation sites) apportion to TNUoS a share of the connection charge payable on the lowest cost Generation Only Spur circuit, including lines, cables and terminating switchgear and substation assets. The lowest cost circuit is identified with reference to the associated Net Asset Values excluding the switchgear.
Impacts on existing Connection charges None.
Impacts on other Industry Documents None.

1. Introduction

National Grid is obliged under the Transmission Licence:

- (i) to make revisions to the Charging Statements in order that the information set out in these statements shall continue to be accurate in all material respects;
- (ii) to keep the Connection Charging Methodology at all times under review;
- (iii) to make such modifications of the Connection Charging Methodology as may be requisite for the purpose of better achieving the relevant objectives, which are:
 - a. to facilitate effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;
 - b. to result in charges which reflect, as far as reasonably practicable, the costs incurred by National Grid in its Transmission Business; and
 - c. to take account of the developments in National Grid's Transmission Business.
 - d. to facilitate competition in the carrying out of works for connection to the Licencee's Transmission system.

Before making a modification to the Connection Charging Methodology, National Grid is also required by the Transmission Licence to consult with CUSC Users on the proposed modification and allow them a period of not less than 28 days within which to make written representations. The Authority can consent to a shorter consultation period.

The purpose of this document is to set out for consultation National Grid's proposal to modify the Statement of the Connection Charging Methodology to improve its accuracy and clarity.

2. Background to the Issues

See details provided in each individual modification's Executive Summary.

3. Explanation of the Issues

See details provided in each individual modification's Executive Summary.

4. Proposed Modifications

Proposed Changes to the Connection Charging Methodology

The Connection Charging Methodology is not affected by the modification.

Proposed Changes to the Statement of the Connection Charging Methodology

It is proposed that the Statement of the Connection Charging Methodology be modified as indicated in the Executive Summary.

Indicative Impact on Connection Charges

None.

Impacts on Other Industry Documents

None.

5. Responses to this Consultation

Comments and views are invited on all the issues raised in this consultation document. In order that your comments and views are included in National Grid's report to the Authority, responses must be received by **25 September 2001**. If you wish to provide comments on this review, then responses are welcome via e-mail to:

Sarah.McGill@uk.ngrid.com

Or alternatively, written comments may be addressed to:

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If you have further queries, please do not hesitate to contact Sarah McGill on: **02476 423841**.