



**PROGRESS REPORT ON
PROPOSED AMENDMENTS TO
THE CONNECTION AND
USE OF SYSTEM CODE**

FEBRUARY 2010

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CONTENTS

1	INTRODUCTION.....	3
2	DETAILS OF AMENDMENT PROPOSALS REFUSED	3
3	NEW AMENDMENT PROPOSALS	3
4	AMALGAMATIONS	3
5	SCHEDULING AND TIMETABLES	4
6	AUTHORITY DECISIONS.....	17

ANNEX 1 - CUSC AMENDMENT REGISTER AS AT 9 March 2010

1 INTRODUCTION

This Progress Report is prepared in accordance with Section 8.13 of the CUSC and provides, inter alia, details of current Amendment Proposals and matters arising during the preceding month regarding the prioritisation and timetabling of Amendment Proposals.

2 DETAILS OF AMENDMENT PROPOSALS REFUSED

This section details Amendment Proposals refused by the Panel Secretary or by the Amendments Panel (in accordance with Paragraphs 8.15.3 and 8.15.4 of the CUSC).

There were no Amendment Proposals refused in February 2010.

3 NEW AMENDMENT PROPOSALS

Two new Amendment Proposals were raised in February 2010, which are detailed below:

CAP180 – Amendments to the CUSC Governance Process

CAP181 – Consequential changes related to Grid Code Amendment A/10 (Compliance)

4 AMALGAMATIONS

This section contains details of any decision of the Amendments Panel to amalgamate Amendment Proposals in accordance with Paragraph 8.16.6 of the CUSC.

There were no amalgamations in February 2010.

ANNEX 1

CUSC AMENDMENT REGISTER – as at 1st March 2010

5 SCHEDULING AND TIMETABLES

This section of the Progress Report gives a high level timetable for each Amendment Proposal in progress. Where specific milestone dates are known, they will be added; otherwise dates are marked as indicative "(indic.)". Where an indicative Authority Determination date is given, this is based on the date of Amendment Report submission plus five weeks, in line with Ofgem's published commitment to issue decisions on at least 70% of proposed changes within five weeks. The shaded area shows progress to date, with additions or updates since the last month's report recorded in red.

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CAP148	Deemed Access Rights to the GB Transmission System for Renewable Generators	27/04/07	31/08/07	31/08/07	28/09/07	26/10/07	30/11/07	14/12/07			<p>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 21st May. At the June 2007 CUSC Panel an extension for a further month was granted. The Report was presented at the August Panel; a request was made for further information to be added, which was emailed to the CUSC Panel for approval of the Working Group Report. The Working Group Report was accepted by the CUSC Panel and CAP148 was issued for Consultation on 28th September, with a closing date for responses of 26th October.</p> <p>The Panel voted on CAP148 on 30th November 2007. The Amendment Report was submitted to the Authority for consideration on 14th December 2007. An Impact assessment was issued on 16th July for response by 28th August 2008. Ofgem wrote to CUSC Parties to inform them that the Authority has requested Ofgem to undertake further industry consultation on CAP148 before it reaches its final decision. Ofgem will publish this consultation in early February 2009. The Authority will take into account responses to the proposed consultation in making its final decisions.</p>

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

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CAP161	Transmission Access – System Operator Release of Short-term Entry Rights	25/04/08	21/11/08	21/11/08	28/11/08	12/12/08	19/12/08	8/01/09			<p>CAP161 was presented to the April 2008 Panel meeting. The Panel decided that CAP161 should proceed to Working Group. Details of the Working Group can be found at:</p> <p>http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. The Working Group Consultation was published on 3rd October 2008. Deadline for consultation response was 31st October 2008.</p> <p>CAP161 was issued for Company consultation on 28th November and closed on 12th December 2008. On 19th December the CUSC Panel agreed that WGAA1 better and best meets the applicable objectives. Final Amendment Report submitted to the Authority on 8th January 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

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CAP162	Transmission Access – Entry Overrun	25/04/08	21/11/08	21/11/08	28/11/08	12/12/08	19/12/08	08/01/09			<p>CAP162 was presented to the April 2008 Panel meeting. The Panel decided that CAP162 should proceed to Working Group. Details of the Working Group can be found at: http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. Working Group Consultation was published on 3rd October 2008. Deadline for consultation response is 31st October 2008.</p> <p>CAP162 was issued for Company Consultation on 28th November and closed on 12th December. On 19th December the CUSC Panel agreed that WGAA better and best met the applicable objectives. Final Amendment Report submitted to the Authority on 8th January 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP163	Transmission Access – Entry Capacity Sharing	25/04/08	21/11/08	21/11/08	28/11/08	12/12/08	19/12/08	08/01/09			<p>CAP163 was presented to the April 2008 Panel meeting. The Panel decided that CAP163 should proceed to Working Group. Details of the Working Group can be found at:</p> <p>http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. Working Group Consultation was published on 3rd October 2008. Deadline for consultation response is 31st October 2008.</p> <p>CAP163 was issued for Company Consultation on 28 November and closes on the 12 December. On the 19 December the CUSC Panel agreed that WGAA better and best met the applicable objectives. Final Amendment Report submitted to the Authority on 8 January 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP164	Transmission Access – Connect and Manage	25/04/08	21/11/08	21/11/08	1/12/08	15/12/08	19/12/08	08/01/09			<p>CAP164 was presented to the April 2008 Panel meeting. The Panel decided that CAP164 should proceed to Working Group. Details of the Working Group can be found at:</p> <p>http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. Working Group Consultation was published on 3rd October 2008. Deadline for consultation response was 31st October 2008.</p> <p>CAP164 was issued for Company Consultation on 1st December and closed on 15th December 2008. On 19th December the CUSC Panel agreed that WGAA better and best meets the applicable objectives. Final Amendment Report submitted to the Authority on 8th January 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP165	Transmission Access – Finite Long-term Entry Rights	25/04/08	21/11/08	21/11/08	1/12/08	15/12/08	19/12/08	08/01/09			<p>CAP165 was presented to the April 2008 Panel meeting. The Panel decided that CAP165 should proceed to Working Group. Details of the Working Group can be found at:</p> <p>http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg165-166/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. Working Group Consultation was published on 3rd October 2008. Deadline for consultation response was 31st October 2008.</p> <p>CAP165 was issued for Company Consultation on 1st December and closed on 15th December 2008. On 19th December the CUSC Panel agreed that WGAA4 better and best meets the applicable objectives. Final Amendment Report submitted to the Authority on 8th January 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP166	Transmission Access – Long-term Entry Capacity Auctions	25/04/08	30/01/09	30/01/09	09/02/09	23/02/09	27/02/09	12/03/09			<p>CAP166 was presented to the April 2008 Panel meeting. The Panel decided that CAP166 should proceed to Working Group. Details of the Working Group can be found at:</p> <p>http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg165-166/</p> <p>On 15th July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group. On 3rd October 2008 the Panel and the Authority approved an extension of 2 weeks for the Working Group Consultation to be published. Working Group report was due to be presented to the Panel on 30th January 2009. CUSC Panel agreed for CAP166 to proceed to Company consultation for a period of 10 days.</p> <p>CUSC Panel vote on 27th February, at which the Panel recommended that neither the Original nor any of the Alternatives for CAP166 be approved. Final Amendment report submitted to the Authority on 12th March 2009.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP167	Definition of a threshold(s) associated with the request for a Statement of Works	16/0508	5/12/08	5/12/08	12/12/08	12/1/09	30/1/09	18/02/09			<p>CAP167 was presented to the May 2008 Panel meeting. The Panel decided that CAP167 should proceed to Working Group. The first working group was held on 26th June. Six Working Group Meetings have taken place. On 29th August 2008 the Panel and the Authority approved an extension of 1 month for the Working Group, in addition to the automatic 1 month extension provided by the implementation of CAP160.</p> <p>Working Group Consultation was published on 6th October 2008. Deadline for consultation responses is 3rd November 2008.</p> <p>The Working Group Report was presented to the CUSC Panel on 5th December 2008. CAP167 Working Group consultation was issued for company consultation on 12th December 2008, and closed on 12th January 2009. Panel vote held on 30th January, Draft Amendment Report to be sent to CUSC Panel. Final Amendment Report submitted to Authority on 18th February 2009 for consideration.</p> <p>The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP168	Transmission Access Under-use and reallocation of TEC	27/02/09	03/04/09	03/04/09	17/04/09	01/05/09	15/05/09	20/05/09			<p>CAP168 was presented the CUSC Panel on 27th February 2009 with a request for urgent status. The Authority granted this on 2nd March 2009, with a timetable of having the Final Amendment Report to the Authority on 11th May 2009.</p> <p>On 3rd April 2009 the CUSC Panel agreed for a one week extension to the remaining timetable of CAP168. The purpose of the extension was to finalise legal text and complete a Working Group Alternative Amendment. It was agreed at the CUSC Panel on 24th April 2009 a 2 day extension for the CUSC Panel Recommendation Vote for CAP168 will take place on 15th May 2009.</p> <p>The CUSC Panel Vote that took place on 15th May is detailed below:</p> <p>Original: No (Unanimous) WGAA1: No (Unanimous) Best: Original (3 Votes) WGAA1 (1 Vote) Abstained (5 Votes)</p> <p>The CUSC panel agreed for the Final Amendment Report to be sent to the Authority on 20th May 2009 for consideration. The Authority Decision is on hold pending the outcome of DECC's consultation on Improving Grid Access.</p>

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CAP169	Provision of Reactive Power from Power Park Modules, Large Power Stations and Embedded Power Stations	27/02/09	18/05/09	31/07/09	15/09/09	07/10/09	30/10/09	17/11/09	21/12/09	21/03/10	<p>CAP169 was presented to the Amendments Panel on 27th February 2009. The Panel agreed for CAP169 to move to Working Group phase for 4 months. Terms of reference were agreed at the April 2009 Amendments Panel, with a final Working Group Report to be submitted to the June 2009 Panel. Working Group consultation circulated 18th May 2009 with a closing date of 1st June. 3 responses were received to the WG Consultation. The WG report was presented to the July 2009 Panel (following a 1 month extension granted to the Working Group). At the July 2009 Amendments Panel meeting the Panel agreed for CAP169 to proceed to Company Consultation for a minimum of 3 weeks. Company consultation issued on 15th September and closed on 7th October 2009. Four responses were received. The Panel Recommendation Vote took place on 30th October and is detailed below: Original - 3 yes, 4 no WGAA1 - 6 yes, 1 no WGAA2 - 7 yes WGAA3 - 1 yes, 6 no Abstained – 1 (for the original and all WGAA's) Best –3 votes for WGAA1, 4 votes for WGAA2</p> <p>The Final Report submitted to the Authority on 17th November 2009. The Authority approved WGAA3 on 21st December, with an implementation date of 21st March 2010.</p>

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CAP170	Category 5 System to Generator Operational Intertripping Scheme	27/02/09	N/A	N/A	03/03/09	13/03/09	23/03/09	25/03/09			<p>CAP170 was presented to the CUSC Panel and the panel AGREED the urgent status of this Proposal. The Authority agreed the urgent status of this Proposal. The CUSC Panel and the Authority agreed for the proposal to go straight to company consultation.</p> <p>Recommendation Vote for CAP170 took place on 23rd March 2009, with the following outcome: No – Majority (7 No, 1 Yes). Final Amendment Report was submitted to the Authority on 25th March 2009.</p> <p>CAP170 is currently with the Authority for consideration. Ofgem conducted a regulatory impact assessment on CAP170 responses which closed on 2nd July 2009. A second regulatory impact assessment closed on 25th August 2009.</p> <p>The Authority has issued a third Impact Assessment on CAP170, focussing on competition issues. The consultation closes on 23 February 2010.</p>

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CAP173	Reactive Power market Tender Process	31/07/09	n/a	n/a	13/08/09	03/09/09	25/09/09	15/10/09	19/11/09	01/04/10	<p>CAP173 was presented to the CUSC Panel on 31 July 2009. The Panel agreed for CAP173 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 25 September 2009.</p> <p>CAP173 proceeded to Company Consultation on 13th August and closed on 3rd September 2009. Three responses were received supporting the proposal.</p> <p>On 25th September, the CUSC Panel voted unanimously that CAP173 should be implemented and that it better meets the CUSC Applicable Objectives. The Draft Amendment Report was circulated to the CUSC Panel for comment on 23rd September and the Final Amendment Report was submitted to the Authority on 15th October 2009.</p> <p>Authority decision to approve CAP173 received on 19th November 2009; with an implementation date 1st April 2010.</p>

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CAP174	Amendment to Exhibit B to require provision of location of proposed Offshore Connection Site	31/07/09	n/a	n/a	13/08/09	03/09/09	25/09/09	15/10/09	19/11/09	24/11/09	<p>CAP174 was presented to the CUSC Panel on 31st July 2009. The Panel agreed for CAP174 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 25th September 2009.</p> <p>CAP174 proceeded to Company Consultation on 13th August and closed on 3rd September 2009. Three responses were received supporting the proposal.</p> <p>On 25th September, the CUSC Panel voted unanimously that CAP174 should be implemented and that it better meets the CUSC Applicable Objectives. The Draft Amendment Report was circulated to the CUSC Panel for comment on 23rd September and the Final Amendment Report was submitted to the Authority on 15th October 2009.</p> <p>Authority decision to approve CAP174 received on 19th November 2009; with implementation date of 24th November 2009.</p>

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CAP175	Urgent Amendment Proposal – Revision to Process	25/09/09	n/a	n/a	07/10/09	29/10/09	27/11/09	18/12/09	27/01/10	02/02/10	<p>CAP175 was presented to the CUSC Panel on 25th September 2009. The CUSC Panel agreed for CAP175 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27th November 2009.</p> <p>CAP175 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received.</p> <p>At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP175 Better Facilitates Achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.</p> <p>The Authority approved CAP175 on 27th January with an implementation date of 2nd February 2010.</p>

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CAP176	Correction or errors contained in the provisions for post-implementation reviews for Urgent Amendment Proposals	25/09/09	n/a	n/a	07/10/09	29/10/09	27/11/09	18/12/09	27/01/10	02/02/10	<p>CAP176 was presented to the CUSC Panel on 25th September 2009. The CUSC Panel agreed for CAP176 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27th November 2009.</p> <p>CAP176 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received.</p> <p>At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP176 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.</p> <p>The Authority approved CAP176 on 27th January with an implementation date of 2nd February 2010.</p>

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CAP177	Removal of the CUSC Amendments Panel's ability to raise Amendment Proposals	25/09/09	n/a	n/a	07/10/09	29/10/09	27/11/09	18/12/09	27/01/10	N/A	<p>CAP177 was presented to the CUSC Panel on 25th September 2009. The CUSC Panel agreed for CAP176 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27th November 2009.</p> <p>CAP177 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received.</p> <p>At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP177 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.</p> <p>The Authority rejected CAP177 on 27th January 2010.</p>

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CAP178	Amendment to the process for the approval of CUSC Amendments Panel meeting minutes when an Amendments Panel meeting has been cancelled	30/10/09	n/a	n/a	03/11/09	10/11/09	27/11/09	18/12/09	08/01/10	22/0/10	<p>CAP178 was presented to the Amendments Panel on 30^h October 2009. The Amendments Panel agreed for CAP178 to proceed to Company Consultation with a view to being presented at the Amendments Panel meeting on 27th November 2009.</p> <p>CAP178 proceeded to Company Consultation on 3rd November 2009 and closed on 11th November 2009. 1 response was received.</p> <p>At the Amendments Panel meeting on 27th November 2009 the Panel voted unanimously that CAP178 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.</p> <p>The Authority approved CAP178 on the 8th January 2010 with an implementation date of 22nd January 2010.</p>

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CAP179	Prevention of "Timing Out" of Authority decisions on Amendment Proposals	29/01/10									<p>CAP179 was presented to the Amendments Panel on 29th January 2010. The Amendments Panel agreed for CAP179 to proceed to Working Group with a view to being presented at the Amendments Panel meeting on 30th April 2010.</p> <p>The CUSC Amendments Panel were informed at the 26th February meeting that the proposed meeting date of 2nd March 2010 would need to be cancelled due to lack of availability of Working Group members. An alternative date is being considered.</p>

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CAP180	Amendments to the CUSC Governance Process	26/02/10	n/a	n/a	05/03/10	29/03/10	30/04/10	13/05/10			CAP180 was presented to CUSC Amendment Panel on 26 February 2010. The Amendments Panel agreed for CAP180 to proceed to Company Consultation, with a view to being presented to CUSC Amendments Panel on 30 th April 2010.

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CAP181	Consequential changes related to Grid Code Amendment A/10 (Compliance)	26/02/10									CAP181 was presented to CUSC Amendment Panel on 26 February 2010. The Amendments Panel agreed for CAP181 to proceed to Working Group stage, with a view to being presented to CUSC Amendments Panel on 21 st May 2010.

6 AUTHORITY DECISIONS

No Authority Decisions were received in February 2010.

Note:

Please notify the CUSC Team of any minor housekeeping changes required to the CUSC by email to cusc.team@uk.ngrid.com for addition to the register which, once populated, will form part of future Progress Reports.

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

CAP181 **Consequential changes related to Grid Code Amendment A/10 (Compliance)**

Proposer National Grid **Submitted** 26/02/10 **Submitted Priority** Normal

CAP181 is raised as a consequential change to Grid Code Consultation proposal A/10, published on 1st February 2010. A/10 seeks to formalise a compliance process within the Grid Code for all new generators and Direct Current converter stations (DCCS) to improve consistency and visibility of the existing processes. The Grid Code Compliance Working Group identified consequential changes to a number of industry codes, including the CUSC, Distribution Connection and Use of System Agreement (DCUSA) and the Distribution Code.

CAP181 was presented to the CUSC Amendments Panel on 26 February 2010. The CUSC Amendments Panel agreed CAP181 to proceed to Working Group, with a view to being presented to the CUSC Amendments Panel on 21st May 2010.

If implemented, without consequential changes to the CUSC and DCUSA also being made, A/10 would leave National Grid and Licence Exemptible Embedded Medium Power Stations (LEEMPS) and DCCS with potentially unlimited liabilities to each other. CAP181 seeks to amend the CUSC to ensure that the existing industry position on limiting liabilities is retained. The specific changes required are:

- a) CUSC Parties, including National Grid, would waive the right to claim directly against a LEEMPS or DCCS for breach of the Distribution Code;
- b) CUSC Parties would instead pursue a claim against the Distribution Network Operator to whose system the LEEMPS is connected, who in turn would claim against the LEEMPS or DCCS for physical damages under the DCUSA.
- c) Any claim by CUSC Parties would be limited to a maximum of £1 million, in line with the terms of the DCUSA (in force at the date of raising this Amendment Proposal).

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

CAP180 Amendments to the CUSC Process

Proposer National Grid

Submitted 26/02/10

Submitted
Priority Normal

Amendment Description

CAP180 seeks to change two areas of the CUSC with the aim of improving participation of non-CUSC Parties at Working Group meetings and improving the management and fair treatment of observers at these meetings.

Currently only a CUSC Party can raise a Working Group Consultation Alternative Request and nominate themselves to become a Working Group member. The following proposals aim to improve provisions for non-CUSC parties by:-

- I. Extending the right to raise a Working Group Consultation Alternative Request to Balancing and Settlement Code (BSC) Parties and the National Consumer Council (NCC).
Extending the right to BSC parties and the NCC to nominate themselves to become a Working Group member.

The following proposals seek to amend the CUSC in order to improve the management and fair treatment of observers attending Working Group meetings through:-

- III. Removing a Working Group member's right to invite an observer to a Working Group meeting.
- IV. Removing a Working Group member's right to invite an observer to speak at a Working Group meeting.
- v. Add provisions to enable observers to be removed by the chairman when causing disruption at a Working Group meeting.

Current status and progress

CAP180 was presented to the CUSC Amendments Panel on 26 February 2010. The Amendments Panel agreed for CAP180 to proceed to Company Consultation with a view to being presented to CUSC Amendments Panel on 30th April 2010.

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

CAP179 Prevention of “Timing Out” of Authority decisions on Amendment Proposals

Proposer National Grid

Submitted 29/01/10

**Submitted
Priority** Normal

Amendment Description

This Amendment Proposal seeks to remove the potential for an Authority decision on an Amendment Proposal to "time out". "Timing out" occurred within the industry in 2007 when the Authority was unable to provide its decision on BSC Modification Proposals P198, P200, P203 and P204 before the final date allotted for such a decision in the Final Modification Report. A subsequent Judicial Review ruled that when the Authority did not make its decision by the latest date included in the Final Modification Reports, it lost the ability to make any decision on those Proposals.

This Amendment Proposal seeks to address three issues:

1) "Timing Out" of Authority decisions on Amendment Proposals.
A description of the circumstances which can cause "timing out" is included in the section above. The result of "timing out" is to cause uncertainty among the industry as to the future of an Amendment Proposal, as well as the timescales surrounding that proposal. It also has the potential to waste resources in terms of the costs incurred by industry participants in raising and considering an Amendment Proposal which may then "time out".

Current status and progress

CAP179 was presented to the Amendments Panel on 29th January 2010. The Amendments Panel agreed for CAP179 to proceed to working Group with a view to being presented at the Amendments Panel meeting on 30th April 2010.

The CUSC Amendments Panel were informed at the 26th February meeting that the proposed meeting date of 2nd March 2010 would need to be cancelled due to lack of availability of Working Group members. An alternative date is being considered.

CAP179 Prevention of “Timing Out” of Authority decisions on Amendment Proposals**Proposer** National Grid**Submitted** 29/01/10**Submitted
Priority** Normal**Amendment Description****Current status and progress**

2) Concerns over timely decision making. During Ofgem's consultations on "timing out", industry participants raised concerns over timely decision making. National Grid seeks to address this by formalising a process whereby the Amendments Panel may write to the Authority to highlight where a decision has not been provided, either within a given timeframe or where certain conditions are met.

3) Ongoing validity of industry analysis supporting a Panel recommendation. A further concern raised by industry participants was that, where a significant period of time has elapsed between a recommendation being provided to the Authority and the Authority making a decision, the underlying circumstances will have changed and any supporting analysis may be out of date. The proposal provides a mechanism for the Panel to consult industry participants on time-related concerns which could include the validity of analysis where a period of time has passed since its completion.

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

CAP178 **Amendment to the process for the approval of CUSC Amendments Panel meeting minutes when an Amendments Panel meeting has been cancelled**

Proposer National Grid

Submitted 30/10/09

Submitted Priority Normal

Amendment Description

It is proposed to amend the governance process for the approval of CUSC Amendments Panel meeting minutes if a CUSC Amendments Panel meeting is cancelled.

If a CUSC Amendments Panel meeting is cancelled, the draft minutes relating to the previous CUSC Amendments Panel meeting (including any proposed changes from Panel Members already received) will be circulated to the Panel Members at the same time as the meeting cancellation notice is issued, providing a second opportunity for Panel Members to suggest any amendments to such minutes, or to confirm their approval thereto.

- Any suggested amendments and/or approval shall be confirmed (via email) within 5 Business Days of the circulation of the minutes.
- If approved, the minutes will be published on the National Grid website.
- If no suggested amendments are received from CUSC Panel Members within such 5 Business Days period, the minutes will be deemed to have been approved.

However, if further suggested amendments are received during such 5 Business Days period, the minutes will remain unapproved and will follow the usual procedure for approval at the next CUSC Amendments Panel meeting.

Current status and progress

CAP178 was presented to the CUSC Amendments Panel on 30^h October 2009. The Amendments Panel agreed for CAP178 to proceed to Company Consultation with a view to being presented at the Amendments Panel meeting on 27th November 2009.

CAP178 proceeded to Company Consultation on 3rd November 2009 and closed on 11th November 2009. 1 response was received.

At the Amendments Panel meeting on 27th November 2009 the Panel voted unanimously that CAP178 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.

The Authority approved CAP178 on the 8th January 2010 with an implementation date of 22nd January 2010.

CAP177 Removal of the CUSC Amendments Panel's ability to raise Amendment Proposals**Proposer** National Grid**Submitted** 25/09/09**Submitted
Priority** Normal**Amendment Description**

The CUSC currently allows for the CUSC Amendments Panel to raise an Amendment Proposal to the CUSC following a post-implementation review after amendment has been made to the CUSC other than pursuant to the standard Amendment Procedure when either:

- Amendment to the CUSC has been made based on an Urgent Amendment Proposal, or
- Amendment to the CUSC has been made in accordance with the Transmission Licence.

The CUSC Governance Standing Group (GSG) has recently reviewed some of the provisions of the governance process within the CUSC (in particular focusing on urgency), and as part of this review questioned the appropriateness of the CUSC Amendments Panel being able to raise an Amendment Proposal and then recommend on that same proposal as part of the standard Amendment Procedures. The GSG concluded that this did not feel appropriate, and if following such a post-implementation review an Amendment Proposal was deemed to be required, the onus would be on a party to the CUSC (or BSC Party or National Consumer Council) to raise such amendment.

Current status and progress

CAP177 was presented to the CUSC Panel on 25 September 2009. The CUSC Panel agreed for CAP177 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27 November 2009.

CAP177 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received which all supported the Amendment Proposal.

At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP177 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.

The Authority rejected CAP177 on 27th January 2010.

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

CAP176 **Correction of errors contained in the provisions for post-implementation reviews for Urgent Amendment Proposals**

Proposer National Grid

Submitted 25/09/09

Submitted Normal
Priority

Amendment Description

This Amendment Proposal seeks to amend the process described in the CUSC through which a review will be conducted following implementation of an Urgent Amendment Proposal (8.21.1.9). This proposal seeks to make explicit how such a review will take place and tidy up the existing CUSC provisions which currently contain some errors.

The proposal also seeks to correct an error in the clause relating to post-implementation review after implementation of an amendment in accordance with the Transmission Licence other than pursuant to the standard Amendment Procedures (8.23.5).

Current status and progress

CAP176 was presented to the CUSC Panel on 25 September 2009. The CUSC Panel agreed for CAP176 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27 November 2009.

CAP176 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received which all supported the Amendment Proposal.

At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP176 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.

The Authority approved CAP176 on 27th January with an implementation date of 2nd February 2010.

ANNEX 1
CUSC AMENDMENT REGISTER – as at 1st March 2010

CAP175 Urgent Amendment Proposals – Revisions to Process

Proposer National Grid

Submitted 25/09/09

**Submitted
Priority** Normal

Amendment Description

Current status and progress

It is proposed that
It is proposed that the following changes be made to the CUSC:

- The ability to recommend that a proposal be treated as urgent be extended to include the National Consumer Council and BSC Parties (as well as CUSC Parties)
- The Panel Chairman to determine the time by which a decision on urgent matters should be made
- A meeting of the CUSC Amendments Panel to be convened to discuss the matter
- Specification of the process to be followed should not all Panel Members be available for the meeting, or should it not be possible to contact an appropriate number of Panel Members (please see detail set out in proposed attached legal text)
- The Amendment Report to include the Authority and Panel view on urgency (as well as the proposer's view as currently provided for in the CUSC)

CAP175 was presented to the CUSC Panel on 25 September 2009. The CUSC Panel agreed for CAP175 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 27 November 2009.

CAP175 proceeded to Company Consultation on 7th October and closed on 29th October 2009. Four responses were received which all supported the Amendment Proposal.

At the Amendments Panel on 27th November 2009 the Panel voted unanimously that CAP175 better facilitates achievement of Applicable CUSC Objective (a). The Final Amendment Report was submitted to the Authority for decision on 18th December 2009.

The Authority approved CAP175 on 27th January with an implementation date of 2nd February 2010.

CAP174 Amendment to Exhibit B to require provision of location of proposed Offshore Connection Site

Proposer National Grid

Submitted 31/07/09

Submitted
Priority Normal**Amendment Description**

Following “Go-Active” of the Offshore regime on 24 June 2009, it was noted that the application form contained within Exhibit B to the CUSC (for a directly connected Power Station, Non-Embedded Customer or Distribution System directly connected to the National Electricity Transmission System) does not require an Applicant to provide the specific location of the Offshore Connection Site. It is proposed to amend Exhibit B to require an Applicant to provide the longitude and latitude of the proposed Connection Site.

Current status and progress

- CAP174 was presented to the CUSC Panel on 31 July 2009. The Panel agreed for CAP174 to proceed to Company consultation with a view to being presented at the CUSC Panel meeting on 25 September 2009.
- CAP174 proceeded to Company Consultation on 13 August and closed on 3 September 2009. Three responses were received supporting the proposal.
- On the 25 September, the CUSC Panel voted unanimously that CAP174 should be implemented and that it better meets the CUSC Applicable Objectives.
- The Draft Amendment Report was circulated to the Amendments Panel for comment on 23rd September and the Final Amendment Report was submitted to the Authority on 15th October 2009.
- Authority decision to approve CAP174 was received on 19th November 2009 and was implemented 24th November 2009.

CAP173 Reactive Power Market Tender Process

Proposer National Grid

Submitted 31/07/09

**Submitted
Priority** Normal

Amendment Description

CAP173 looks to amend a section of the CUSC following a review of the reactive power market tender process as set out in Schedule 3. More specifically the proposal seeks to condense the timescales associated with various elements of the reactive power market tender process (detailed in the section below) as prescribed in Clause 3 of Schedule 3 so as to reduce the overall process from 26 weeks to 14 weeks.

The review of this market tender process has been carried out through discussion and development with the Balancing Service Standing Group (BSSG), including consultation with the wider industry. This has ensured full development of the proposal prior to raising the Amendment Proposal

Current status and progress

- CAP173 was presented to the CUSC Panel on 31 July 2009. The Panel agreed for CAP173 to proceed to Company Consultation with a view to being presented at the CUSC Panel meeting on 25 September 2009.
- CAP173 proceeded to Company Consultation on 13 August and closed on 3 September 2009. Four responses were received supporting the proposal.
- On the 25 September, the CUSC Panel voted unanimously that CAP173 should be implemented and that it better meets the CUSC Applicable Objectives.
- The Draft Amendment Report was circulated to the Amendments Panel for comment on 23rd September and the Final Amendment Report was submitted to the Authority on 15th October 2009.
- Authority decision to approve CAP173 was received on 19th November 2009, with an implementation date of 1st April 2010.

CAP170 Category 5 System to Generator Operational Intertripping Scheme

Proposer National Grid

Submitted 27/02/09

**Submitted
Priority** URGENT

Amendment Description

This proposal seeks to introduce a new category 5 System to Generator Operational Intertripping Scheme to cover intertrips capable of being armed with respect to a derogated non-compliant transmission boundary, which are not captured by categories 1-4. A derogated non-compliant transmission boundary would be defined as a boundary on the transmission system which is subject to Authority approved derogation to the GB Security and Quality of Supply Standards.

Current status and progress

- CAP170 was presented to the CUSC Panel and the panel AGREED the urgent status of this Proposal. The Authority agreed the urgent status of this Proposal.
- The CUSC Panel and the Authority agreed for the proposal to go straight to company consultation.
- Recommendation Vote for CAP170 took place on 23 March 2009, with the following outcome. No – Majority (7 No, 1 Yes). Final Amendment Report was submitted to the Authority on 25 March 2009.
- CAP170 is currently with the Authority for consideration. Ofgem conducted a regulatory impact assessment on CAP170 responses to which closed on 2 July 2009.
- A second regulatory impact assessment closed on 25 August 2009.

CAP169 Provision of Reactive Power from Power Park Modules, Large Power Stations and Embedded Power Stations

Proposer National Grid

Submitted 27/02/09

**Submitted
Priority** Normal

Amendment Description

This Amendment Proposal looks to amend various sections of CUSC to accommodate the provision of Reactive Power from Power Park Modules. Currently, the vehicle to enable National Grid to despatch and pay Providers for Reactive Power, the Mandatory Services Agreement (MSA), does not reflect the capability requirement as per Grid Code CC6.3.2 for Power Park Modules i.e. within the Capability Data Tables. It is therefore proposed that additional tables be added to the MSA pro forma in CUSC (Schedule 2 Exhibit 4). This Amendment Proposal also looks to update the Reactive Power Definitions and Interpretations section (Schedule 3, Part I, Clause 1) in line with the Grid Code CC8.1 provisions to reflect that Reactive Power from Power Park Modules is a Mandatory (not Enhanced) Ancillary Service.

Current status and progress

- CAP169 was present to the CUSC Panel on the 27 February 2009. The CUSC Panel agreed for CAP169 to move to Working Group phase. CAP169 Terms of reference were agreed at the CUSC Panel on 24 April 2009, a final Working Group Report will be submitted to the CUSC Panel on 26th June 2009.
- Working Group consultation circulated to the industry on 18 May with a closing date of 1 June 2009.
- Three responses were received to the WG consultation. The WG report will be presented to the CUSC Panel on 31 July 2009.
- At the CUSC Panel meeting on 31 July the Panel agreed for CAP169 to proceed to Company Consultation stage for a minimum of three weeks.
- Company consultation was released on 15 September and closed on 7 October 2009. Four responses were received.
- The CUSC Panel Vote that took place on 30 October detailed below:
Original - 3 yes, 4 no
WGAA1 - 6 yes, 1 no
WGAA2 - 7 yes
WGAA3 - 1 yes, 6 no
Abstained – 1 (for the original and all WGAAs)
Best –3 votes for WGAA1, 4 votes for WGAA2
- The Draft Amendment Report was circulated to the CUSC Panel for comment on 4th November and Final Report submitted to the Authority for decision on 17 November 2009.
- The Authority approved WGAA3 on 21st December, with an implementation date of 21st March 2010.

CAP168

Transmission Access Under-use and reallocation of TEC

Proposer ConocoPhillips

Submitted 27/02/09

Submitted Urgent
Priority

Amendment Description

Current status and progress

CAP168 centres on the introduction of an under-use charge for transmission entry capacity (TEC).

Incentivised by an under-use charge (additional to TNUoS payments) based on a pre-set multiple of TNUoS payments, parties would make available TEC they do not require by assigning the right to use such TEC to third parties on a bilateral basis. This might be on either a temporary basis within-year or for longer-term blocks of a year (or both). In the case of within-year provision already exists under CUSC 6.34 for CUSC parties to offer unwanted TEC to other grid users but only in certain defined circumstances, and this has not been utilised. Consequently CAP168 would introduce a daily and a weekly access product. Annual blocks could also be sold individually or in multi-year bundles under this proposal

- CAP168 was presented the CUSC Panel on 27/2/09 with a request for urgent status. The Authority granted this 2 March 2009, with a timetable of having the Final Amendment Report to the Authority on 11 May 2009. On the 3 April the CUSC Panel agreed for a one week extension to the remaining timetable of CAP168. The purpose of the extension is to finalise legal text and complete a working group alternative. It was agreed at the CUSC Panel on the 24 April the 2 day extension for the CUSC Panel Recommendation Vote for CAP168 will take place on 15 May 2009. CUSC Panel Vote took place on the 15 May and the outcome of the voting was:

Original - No - Unanimously
WGAA1 - No – Unanimously
Best - Original – 3 Votes
WGAA1 – 1 Vote
Abstained – 5 Votes

The CUSC Panel agreed for the Final Amendment Report to be sent to the Authority on 20 May 2009 for consideration.

CAP167**Definition of a threshold(s) associated with the request for a Statement of Works****Proposer**

National Grid

Submitted

16/05/08

Submitted Priority

Normal

Amendment Description

It is proposed to amend the CUSC to provide definitive clarification in the assessment of whether a small embedded power station development (or the aggregate effect of multiple projects) has a significant impact on the GB transmission system.

The proposal recommends that a CUSC working group is established to undertake the required analysis and decide on an appropriate MW threshold(s), which will provide transparent criteria of whether a DNO is required to request a Statement of Works from National Grid for small generation projects connecting to their system.

Current status and progress

- CAP167 was presented to the May 2008 Panel meeting. The Panel decided that CAP167 should proceed to Working Group. The first working group was held on 26th June.
- On 29 August 2008 the Panel and the Authority approved an extension of 1 month for the Working Group, in addition to the automatic 1 month extension provided by the implementation of CAP160.
- Working Group Consultation was published on 6 October 2008. Deadline for consultation responses is 3 November 2008.
- Working Group Report due to be presented at the CUSC Panel on 5 December 2008.
- CAP167 Working Group consultation was issued for company consultation on 12 December 2008, and closed on 12 January 2009.
- Draft Amendment Report to be sent to CUSC Panel with a view to being sent to the Authority.
- Final Amendment Report submitted to Authority on 18 February 2009 for consideration.

CAP166**Transmission Access – Long-term Entry Capacity Auctions****Proposer**

National Grid

Submitted

25/04/08

Submitted Priority

Normal

Amendment Description

It is proposed that all long-term entry access rights to the GB transmission system would be allocated by auction. Available access rights would be identified on a zonal basis, and released in annual (financial year) blocks. Auctions would be held annually, and capacity allocated on a pay as bid basis to the limit of the available (“baseline”) zonal capability. Successful bookings would be underpinned by user commitment in the form of a liability to pay the accepted bids and a consequential requirement for financial security to be put in place. This will be developed during the assessment of the proposed amendment, in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover.

Outside of a specified period, incremental capacity would be released by the System Operator where any unfulfilled bids in excess of the zonal reserve price were of a level sufficient to pass a regulatory test, which would be defined under a separate Incremental Entry Capacity Release (IECR) methodology.

The above arrangements would provide access to the wider transmission system. Separate arrangements would be put in place for infrastructure comprising generators’ local connections to the wider system, such that potential new generators could first apply for a local connection, and then have their offer held open until the next auction for wider system capacity had concluded. It is envisaged that generators’ bids for long-term entry access rights would be constrained to the sum of their prevailing contracted or offered local capacity limits in each zone. Separate arrangements for charging and security would apply for local infrastructure, and for the residual element of the entry Transmission Network Use of System (TNUoS) capacity charge, which it is proposed would be levied on a commoditised basis

Current status and progress

- CAP166 was presented to the April 2008 Panel meeting. The Panel decided that CAP166 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg165-166/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- On 3 October 2008 the Panel and the Authority approved an extension of 2 weeks for the Working Group Consultation to be published.
- The Working Group Report due to be presented at the CUSC Panel on 5 December 2008.
- Working Group report due to be presented to the Panel on 30 January 2009.
- CUSC Panel voted on the 27 February the Panel recommended that neither the Original nor any of the Alternatives for CAP166 be approved. This is currently with the Authority for consideration.

CAP165**Transmission Access – Finite Long-term Entry Rights****Proposer**

National Grid

Submitted

25/04/08

Submitted Priority

Normal

Amendment Description

Introduction of temporally defined finite long-term entry access rights, and associated user commitment.

It is proposed that existing generators would nominate the number of (whole financial) years for which they require long-term entry access rights to the GB transmission system. This would be underpinned by user commitment in the form of a liability to pay associated charges and a requirement for financial security to be put in place. This will be developed during the assessment of the proposed amendment, in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover. The commitment would be for any period requested by the user (i.e. there would be no rolling time limit), and rights could be extended by application at any time.

New generators (and any existing generators requesting an increased level of long-term entry access) would be required to book a defined number of years of entry access rights (“the trigger period”), and provide the associated user commitment (which would be approximately equivalent to 50% of the cost of providing the incremental capacity). This would replace the existing “final sums” regime.

The above requirements would apply to access to the wider transmission system. Separate arrangements would be put in place for infrastructure comprising generators’ local connections to the wider system, including appropriate user commitment (which may be approximately equivalent to 100% of costs).

It should also be noted that the concurrent proposal to remove the residual element of the entry Transmission Network Use of System (TNUoS) capacity charge in the Use of System Charging Methodology means that the duration of the trigger period would need to be calculated on the basis of this revised charging regime (i.e. it would only be based on the wider locational element of the TNUoS charge). Consideration will additionally need to be given to the security arrangements to be put in place for the residual charge.

It is further proposed that long-term entry access rights be defined on a zonal basis, such that each User can share capacity between its power stations on a real time basis at a 1:1 exchange rate within defined zones

Current status and progress

- CAP165 was presented to the April 2008 Panel meeting. The Panel decided that CAP165 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg165-166/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- Working Group Consultation was published on the 3 October 2008. Deadline for consultation response is 31 October 2008.
- Company Consultation published on 1 December 2008 and closes on 15 December 2008.
- On the 19 December the CUSC Panel agreed that WGAA4 better and best met the applicable objectives.
- Final Amendment Report submitted to the Authority on 8 January 2009.

CAP164**Transmission Access – Connect and Manage****Proposer**

National Grid

Submitted

25/04/08

Submitted Priority

Normal

Amendment Description

It is proposed that Generators who wish to connect to the system should have a fixed date for receiving TEC. This date, the 'TEC effective date', will be the later of the completion of "local" transmission works or an agreed fixed lead time. The fixed lead time will be discussed and agreed in the amendment assessment stage and codified in the CUSC. Initial options are 3 years (aligns with planning restrictions in Scotland); or 4 years (more consistent with historic performance of providing reinforcements).

The TEC effective date will be subject to 'force majeure' provisions as currently defined in the CUSC.

Following the initial offer, the TEC effective date can only be changed through a modification application; and if both the Generator and the Company agree, and other CUSC parties are not unduly affected.

The request for a TEC effective date is optional, and is made at the time of application. All types of generation seeking TEC can request a TEC effective date.

The definition of 'local' works will be established through the assessment of this proposal i.e. how 'deep' and what the consequences of such a definition would be.

Although not part of the CUSC, it is proposed that TEC granted with a TEC effective date be charged on the same principle as existing TEC, which is long-term incremental investment based (including any changes to local charging arrangements consistent with the changing principles).

There is a symmetrical obligation associated with the guarantee of a TEC date. This requires the generator to pay TNUoS charges for a minimum period irrespective of readiness of the generator to physically connect, subject to force majeure. The minimum period, will be agreed in the assessment of the proposal, to ensure equitable risk between other users and the connectee. This is intended to encourage the generator to apply only when consents have been granted i.e. for the purposes of this, force majeure excludes planning.

The transition arrangements for existing contracts will be agreed in the amendment assessment stage.

Current status and progress

- CAP164 was presented to the April 2008 Panel meeting. The Panel decided that CAP164 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- Working Group Consultation was published on the 3 October 2008. Deadline for consultation response is 31 October 2008.
- Company Consultation published on 1 December 2008 and closes on 15 December 2008.
- On the 19 December the CUSC Panel agreed that WGAA better and best met the applicable objectives.
- Final Amendment Report submitted to the Authority on 8 January 2009.

CAP163**Proposer**

National Grid

Transmission Access – Entry Capacity Sharing**Submitted** 25/04/08**Submitted Priority** Normal**Amendment Description**

It is proposed to introduce a zonal access product, allowing Generators to connect without wider system access rights and facilitating intra zonal access sharing between Generators on a 1:1 basis.

A local only application will allow users to become connected and begin to operate before any 'wider' reinforcement works are completed. The proposer suggests that 'local' works will be those that would facilitate the efficient exchange of entry rights between users within a zone on a 1:1 basis and facilitates users to gaining access to the wider system rights through other products (redistributed long-term rights or additional short-term rights). The assessment will consider the exact definition of 'local' works and highlight the pros and cons of the preferred definition. The charging arrangements associated with local works, which do not form part of the CUSC, will allow for efficient charging of variations arising from a generation User's choice (design variations) and also ensure that users who share zonal rights, or use short-term rights to access the system, contribute proportionately to the additional in assets required.

Zonal access rights will establish transmission access rights on a zonal rather than nodal level. This will be achieved by monitoring / settling access on a zonal company level. Therefore zonal access rights will implicitly introduce intra zonal access sharing on a 1:1 basis for an individual user. Entry capacity sharing will also extend this concept of sharing to multiple users. It is envisaged that a new Zonal Definition Methodology would establish and govern the definition of the zones. These zones would be applicable across all zonal products and associated charges. Moving to a zonal rather than nodal access regime has the potential to create additional constraints; the analysis in the assessment phase will seek to quantify this.

The process for notifying National Grid of Entry Capacity sharing arrangements between users will be developed during the amendment assessment stage. There are a number of possible models, such as: codifying the sharing through a new CUSC form (ex ante); notifying explicit transfer of rights ex ante; or ex post notification of transferred access rights.

Transition arrangements from the current Transmission Entry Capacity, TEC, will be considered in the amendment assessment stage.

Current status and progress

- CAP163 was presented to the April 2008 Panel meeting. The Panel decided that CAP163 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- Working Group Consultation was published on the 3 October 2008. Deadline for consultation response is 31 October 2008.
- Company Consultation published on 28 November 2008 and closes on 12 December 2008.
- On the 19 December the CUSC Panel agreed that WGAA better and best met the applicable objectives.
- Final Amendment Report submitted to the Authority on 8 January 2009.

CAP162**Transmission Access – Entry Overrun**

Proposer	National Grid	Submitted	25/04/08	Submitted Priority	Normal
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Amendment Description

Creation of a commercial mechanism for dealing with export above existing entry access capacity holdings.

This proposal would permit Generators to export in excess of their total entry access capacity holding (currently sum of TEC, LDTEC, STTEC). Export would be capped by “local” rather than “wider” system capability limits (e.g. CEC and any local transmission limits as detailed in the bilateral agreement), subject to continued Grid Code compliance. The additional volume of entry access used above existing entry access capacity holding would be ‘Entry Overrun’.

For the purposes of this amendment, it is suggested that the charging arrangements (codified in the charging methodologies) for Entry Overrun would establish charges related to the cost imposed of accommodating Entry Overrun.

Appropriate credit will be required. The level required would be established in the assessment stage in accordance with the Best Practice Guidelines for Gas and Electricity Network Operator Credit Cover.

This amendment includes a revised process for ‘local only’ applications (connection without long-term entry rights for the wider system) and a change in the nature of long-term and short-term entry rights from nodal to zonal. The zones used would be consistent across all long-term and short-term products. The proposer suggests that in order to ensure equitable treatment of non locational asset costs that the residual charge should be commoditised.

Current status and progress

- CAP162 was presented to the April 2008 Panel meeting. The Panel decided that CAP162 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- Working Group Consultation was published on the 3 October 2008. Deadline for consultation response is 31 October 2008.
- Company Consultation published on 28 November 2008 and closes on 12 December 2008
- On the 19 December the CUSC Panel agreed that WGAA better and best met the applicable objectives.
- Final Amendment Report submitted to the Authority on 8 January 2009.

CAP161**Transmission Access – System Operator Release of Short-term Entry Rights**

Proposer	National Grid	Submitted	25/04/08	Submitted Priority	Normal
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Amendment Description

It is proposed that National Grid would be permitted to release additional entry rights in operational timescales, the short term. These short-term entry rights would be released only when National Grid believes there is spare capacity, where spare capacity is defined in economic terms as capacity for which the ex ante reserve price exceeds the associated buyback risk.

National Grid would release short-term entry rights through auction(s) in operational timescales. The mechanics of the auction will be established in the assessment phase. The rights would be zonal with a duration optimised to best meet both User and System Operator requirements, to be agreed in the assessment. The additional entry rights may be offered through auctions in different timescales, e.g. x weeks ahead for a weekly right or year ahead for a quarterly right. Close to real time there may be a preliminary stage of the auction to ascertain interest and justify the analysis involved in producing the auction information and to allow auction zone volumes to be allocated more efficiently.

Full details of the proposal are available at <http://www.nationalgrid.com/NR/rdonlyres/B0147FE5-DA07-4C15-AB77-9DB979CF89A0/25149/CAP161SystemOperatorReleaseofShorttermEntryRights.pdf>

Current status and progress

- CAP161 was presented to the April 2008 Panel meeting. The Panel decided that CAP161 should proceed to Working Group. Details of the Working Group can be found at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/wg161-164/>
- On 15 July 2008 the Panel and the Authority approved an extension of 2 months for the Working Group.
- Working Group Consultation was published on the 3 October 2008. Deadline for consultation response is 31 October 2008.
- Company Consultation published on 28 November 2008 and closes on 12 December 2008.
- On the 19 December the CUSC Panel agreed that WGAA1 better and best met the applicable objectives.
- Final Amendment Report submitted to the Authority on 8 January 2009.

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 21st May. At the June CUSC Panel an extension for a further month was granted. The Report was presented at the August Panel, a request was made for further information to be added, which will be e-mailed to the CUSC Panel for approval of the Working Group Report. The Working Group Report was accepted by the CUSC Panel, and CAP148 was issued for Consultation on 28th September, with a closing date for responses of 26th October. The Panel voted on CAP148 on 30th November 2007. The Amendment Report was submitted to the Authority for consideration on 14th December 2007.
- Ofgem have written to CUSC Parties to inform them that the Authority has requested Ofgem to undertake further industry consultation on CAP148 before it reaches its final decision. Ofgem will publish this consultation in early February 2009. The Authority will take into account responses to the proposed consultation in making its final decisions. The Authority currently expects to be in a position to make its final decisions on CAP148 in Spring 2009.