



## **WORKING GROUP REPORT**

### **CUSC Amendment Proposal CAP151 Construction Agreements Works Register**

**Prepared by the CAP151 Working Group  
for submission to the Amendments Panel**

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**I DOCUMENT CONTROL****a National Grid Document Control**

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0.1	12/09/07	CAP151 Working Group	Draft for Working Group comment
0.2	18/09/07	CAP151 Working Group	Draft following Working Group comments
1	20/09/07	CAP151 Working Group	Final version following Working Group comments

**b Distribution**

Name	Organisation
The Gas and Electricity Markets Authority	Ofgem
CUSC Parties	Various
Panel Members	Various
National Grid Industry Information Website	

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## 1.0 SUMMARY AND RECOMMENDATIONS

### Executive Summary

- 1.1 CAP151 – Construction Agreements Works Register was proposed by National Grid at the CUSC Amendments Panel on the 29 June 2007. CAP151 aims to provide an obligation on National Grid to establish and maintain a register of Transmission Reinforcement Works. Such works are set out in Generators' or Interconnector Owners' Construction Agreements or BELLAs, until such Transmission Reinforcement Works are completed. It is intended that the register would be similar to the TEC register and MW register, which was implemented on 12<sup>th</sup> September 2007 (CAP145 Embedded MW Register).
- 1.2 The Working Group supported CAP151 and believes that the proposal would provide Users with more relevant and timely information.

### Working Group Recommendation

- 1.3 The Working Group believe the Terms of Reference have been completed, CAP151 has been fully considered and recommends to the CUSC Amendments Panel that CAP151 should proceed to wider Industry Consultation as soon as possible. The Working Group unanimously supported the Amendment Proposal.

## 2.0 PURPOSE AND INTRODUCTION

- 2.1 This Report summarises the deliberations of the Working Group and describes the Original CAP151 Amendment Proposal. A copy of the Amendment Proposal is provided in Annex 5.
- 2.2 CAP151 was proposed by National Grid and submitted to the CUSC Amendments Panel for their consideration on 29 June 2007. The Amendments Panel determined that the proposal should be considered by a Working Group and that the Group should report back to the CUSC Panel within 3 month(s) (28 September 2007).
- 2.3 The Working Group met on 18 July 2007, and the members accepted the Terms of Reference for CAP151. A copy of the Terms of Reference is provided in Annex 2. The Working Group considered the issues raised by the Amendment Proposal and considered whether the Proposal better facilitated the Applicable CUSC Objectives. The Working Group also met on 22 August and 7 September 2007.
- 2.4 This Working Group Report has been prepared in accordance with the Terms of the CUSC. An electronic copy can be found on National Grid website, [www.nationalgrid.com/uk/Electricity/Codes/](http://www.nationalgrid.com/uk/Electricity/Codes/), along with the Amendment Proposal Form.

### **3.0 PROPOSED AMENDMENT**

- 3.1 CAP151 proposes to amend the CUSC to provide an obligation on National Grid to establish and maintain a register of Transmission Reinforcement Works. Such works are set out in Generators' or Interconnector Owners' Construction Agreements or BELLAs, until such Transmission Reinforcement Works are completed.
- 3.2 The Works Register will, in respect of each such Construction Agreement and BELLA, set out:
- the name of the Generator or Interconnector Owner;
  - the Connection Site (or in the case of an Embedded Generator the site of connection);
  - the Completion Date(s); and
  - the Transmission Reinforcement Works which relate to such Construction Agreement and BELLA (each as amended from time to time).
- 3.3 The Works Register shall be updated on the National Grid website to include the details of a new agreement within 10 business days of the completion of a new agreement or any changes to an existing agreement if such change affects any item in the Works Register.
- 3.4 It is proposed that the register will provide a more comprehensive and timely picture of the transmission works required to connect a generation project. The register is intended to provide a process for mapping planned works against signed construction agreements in order to facilitate the connection of generation projects. This information will provides Users with the ability to determine potential gaps that could appear as a consequence of a User reducing capacity or terminating their construction agreement(s) or BELLA(s).
- 3.5 At present there is limited timely public information on the transmission works required to connect generation projects. Generic data is currently contained within table 6.2 of the Seven Year Statement, however this data is limited and not contract specific. The information is only updated annually. Therefore it is difficult for developers and potential developers to determine the impact of any new application or the consequence/opportunity of project attrition, particularly within a local cluster.

### **4.0 SUMMARY OF WORKING GROUP DISCUSSIONS**

- 4.1 The first Working Group meeting was held on 18 July 2007 where the proposer of CAP151 provided details and background to the Amendment. In principle the Working Group supported CAP151 and the majority of the members believed that the amendment would provide greater transparency and would be of benefit for the industry.
- 4.2 At the second Working Group meeting on the 22<sup>nd</sup> August the proposer provided further details and the proposed format of the register. The Working Group questioned whether this information would be better published in the Seven Year Statement rather than on a new register on National Grid's website. The group, after further discussions, agreed that the latter approach is preferable as the register could be updated in a timelier manner and Users would be provided with a broader, more complete picture of the allocation of capacity. In turn this would provide Users with the ability to identify opportunities to advance connection dates.

- 4.3 The Working Group members were also interested to see the format in which the data would be published and the majority thought that the completion date of each reinforcement and agreement would be a useful addition to the register. With reference to the format of the data, it was noted that the Amendment legal text did not describe the detail of how the data would be presented and that this would be down to National Grid to determine, taking into account feedback from the industry. It was suggested a database format, would most suitably present the relationships between transmission reinforcement and generation projects.
- 4.4 One member of the group questioned whether the register should be expanded to cover all construction agreements (including demand etc) but the majority of other Working Group members thought that this was not necessary and rejected this option.
- 4.5 The members commented on the legal drafting provided and requested clarifications to make it clear that BELLAs would also be included. Following clarifications the legal text was update and it was confirmed that the drafting did cover BELLAs.
- 4.6 At the third Working Group meeting on 7<sup>th</sup> September members questioned the exclusion of relevant Seven Year Statement Works from the proposed definition of Transmission Works within the Construction Agreements. The group was informed that if this was not excluded it would result in the register being unable to publish all of the relevant transmission works This resulted in the drafting of a new definition of Transmission Works (in addition to Transmission Works Register) to be added to Section 11 of the CUSC as part of the Amendment. The Working Group unanimously supported the Amendment Proposal.

## **5.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES**

- 5.1 The Working Group believe that CAP151 would better facilitate the CUSC Objective(s);
- (a) the efficient discharge by the Licensee of the obligations imposed upon it by the act and the Transmission Licence; and
  - (b) facilitating effective competition in generation and supply of electricity and facilitating such competition in the sale, distribution and purchase of electricity.
- 5.2 This amendment will provide Users with a more comprehensive and timelier picture of GB transmission capacity and Users would be provided with a broader, more complete picture of the detailed allocation of capacity. This will help Users to: identify opportunities to connect earlier as a result of changes to the contracted background; and better understand the implications for prospective the implications for prospective connection, of transmission locational factors. If implemented the proposed changes will further the efficient use of the system and better facilitate competition in generation.

## **6.0 PROPOSED IMPLEMENTATION**

- 6.1 National Grid proposes CAP151 should be implemented 2 months after an Authority decision to ensure that the appropriate systems, processes and website are developed.

## **7.0 IMPACT ON THE CUSC**

- 7.1 CAP151 requires amendments to Section 6 and Section 11 of the CUSC.
- 7.2 The legal text required to give effect to the Amendment Proposal is contained as Annex 1 of this document.

## **8.0 IMPACT ON INDUSTRY DOCUMENTS**

- 8.1 CAP151 has no impact upon Core or other Industry Documents and processes used by CUSC Parties. CAP151 has a limited impact on National Grid's computer systems as amendments are anyway required to National Grid's data and as such the only additional burden imposed by this Amendment will be the uploading of the revised data onto the National Grid website as and when required.

## ANNEX 1 – PROPOSED LEGAL TEXT TO MODIFY THE CUSC

The Proposed legal text to modify the CUSC is detailed below by inserting the coloured and underlines text at the end of the Section 6 of the CUSC and renumbering as appropriate.

### 6.[ ] Transmission Works Register

6.[ ]1 The Company shall establish and maintain a Transmission Works Register in respect of Transmission Works set out in Generators' and Interconnector Owners' Construction Agreements and/or set out in the relevant Construction Agreement with the owner/operator of the Distribution System in respect of an Embedded Exemptable Large Power Station which is the subject of a BELLA (until such Transmission Works are completed) which it shall publish on The Company Website recording the details set out in Paragraph 6.[ ]2.

6.[ ]2 The Transmission Works Register shall in respect of each such Construction Agreement set out the name of the Generator or Interconnector Owner, the Connection Site (or in the case of an Embedded Generator the site of connection), the Completion Date(s), and the Transmission Works which relate to such Construction Agreement (each as amended from time to time).

6.[ ]3 The details referred to a Paragraph 6.[ ]2 shall be recorded on the Transmission Works Register within 10 Business Days of the completion of such agreements or any changes to an existing agreement if such change affects any item in the Transmission Works Register.

Insert the following coloured and underlined text into Section 11 of the CUSC at the appropriate place

### Transmission Works

Register the register set up by The Company pursuant to Paragraph 6.[ ]1.

Transmission Works in relation to a particular User, those works which are specified in Appendix H to the relevant Construction Agreement, where Part 1 is works required for the User and Part 2 is works required for wider system reasons.

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**ANNEX 2 – WORKING GROUP TERMS OF REFERENCE AND MEMBERSHIP****Working Group Terms of Reference and Membership**

## TERMS OF REFERENCE FOR CAP151 WORKING GROUP

**RESPONSIBILITIES**

1. **The Working Group is responsible for assisting the CUSC Amendments Panel in the evaluation of CUSC Amendment Proposal CAP151 tabled by National Grid at the Amendments Panel meeting on 29 June 2007.**
2. **The proposal must be evaluated to consider whether it better facilitates achievement of the applicable CUSC objectives. These can be summarised as follows:**
  - (a) **the efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence; and**
  - (b) **facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity.**
3. **It should be noted that additional provisions apply where it is proposed to modify the CUSC amendment provisions, and generally reference should be made to the Transmission Licence for the full definition of the term.**

## SCOPE OF WORK

4. **The Working Group must consider the issues raised by the Amendment Proposal and consider if the proposal identified better facilitates achievement of the Applicable CUSC Objectives.**
5. **In addition to the overriding requirement of paragraph 4, the Working Group shall consider and report on the following specific issues:**
  - the content and format of the information to be provided in the register
  - timing of when such information should be made available
  - assess consequential impact on Users
6. **The Working Group is responsible for the formulation and evaluation of any Working Group Alternative Amendments (WGAAs) arising from Group discussions which would, as compared with the Amendment Proposal, better facilitate achieving the applicable CUSC objectives in relation to the issue or defect identified.**
7. **The Working Group should become conversant with the definition of Working Group Alternative Amendments which appears in Section 11 (Interpretation and Definitions) of the CUSC. The definition entitles the**

**Group and/or an individual Member of the Working Group to put forward a Working Group Alternative Amendment if the Member(s) genuinely believes the Alternative would better facilitate the achievement of the Applicable CUSC Objectives. The extent of the support for the Amendment Proposal or any Working Group Alternative Amendment arising from the Working Group's discussions should be clearly described in the final Working Group Report to the CUSC Amendments Panel.**

8. The Working Group is to submit their final report to the CUSC Panel Secretary on 20 September 2007 for circulation to Panel Members. The conclusions will be presented to the CUSC Panel meeting on 28 September 2007.

#### MEMBERSHIP

9. It is recommended that the Working Group has the following members:

Chair	Duncan Burt	National Grid
National Grid	Phil Collins	National Grid
Industry Representatives	Garth Graham	Scottish and Southern
	Dennis Gowland	Fairwind Orkney Ltd
	Laura Jeffs	Centrica
	Robert Longden	Airtricity
	John Morris	British Energy
	Alec Morrison	Scottish and Southern
	John Norbury	RWE
	David Scott	EDF
	Ben Sheehy	E.ON
	Tim Russell	Russell Power
Authority Representative	Jenny Boothe	Ofgem
Technical Secretary	Clare Talbot	National Grid

[NB: Working Group must comprise at least 5 Members (who may be Panel Members) and will be selected by the Panel with regard to WG List held by the Secretary]

10. The membership can be amended from time to time by the CUSC Amendments Panel.

#### RELATIONSHIP WITH AMENDMENTS PANEL

11. The Working Group shall seek the views of the Amendments Panel before taking on any significant amount of work. In this event the Working Group Chair should contact the CUSC Panel Secretary.
12. **Where the Working Group requires instruction, clarification or guidance from the Amendments Panel, particularly in relation to their Scope of Work, the Working Group Chair should contact the CUSC Panel Secretary.**

## MEETINGS

13. The Working Group shall, unless determined otherwise by the Amendments Panel, develop and adopt its own internal working procedures and provide a copy to the Panel Secretary for each of its Amendment Proposals.

## REPORTING

14. The Working Group Chair shall prepare a final report to the 28 September 2007 Amendments Panel responding to the matter set out in the Terms of Reference.
15. **A draft Working Group Report must be circulated to Working Group members with not less than five business days given for comments.**
16. Any unresolved comments within the Working Group must be reflected in the final Working Group Report.
17. The Chair (or another member nominated by him) will present the Working Group report to the Amendments Panel as required.

## **ANNEX 3 – INTERNAL WORKING GROUP PROCEDURE**

### **CAP151 Working Group**

#### **INTERNAL WORKING PROCEDURES**

1. Notes and actions from each meeting will be produced by the Technical Secretary (provided by National Grid) and circulated to the Chairman and Working Group members for review.
2. The Meeting notes and actions will be published on the National Grid CUSC Website after they have been agreed at the next meeting or sooner on agreement by Working Group members.
3. The Chairman of the Working Group will provide an update of progress and issues to the Amendments Panel each month as appropriate.
4. Working Group meetings will be arranged for a date acceptable to the majority of members and will be held as often as required as agreed by the Working Group in order to respond to the requirements of the Terms of Reference set by the Amendments Panel.
5. If within half an hour after the time for which the Working Group meeting has been convened the Chairman of the group is not in attendance, the meeting will take place with those present.
6. A meeting of the Working Group shall not be invalidated by any member(s) of the group not being present at the meeting.

**ANNEX 4 – WORKING GROUP ATTENDANCE REGISTER**

		18 July	22 August	7 September
Duncan Burt	Chair	<b>X*</b> <b>(alternate Emma Carr)</b>	✓	✓
Clare Talbot	Technical Secretary	✓	x	✓
Phil Collins	National Grid	✓	✓	✓
Chris Newett	National Grid	✓	✓	x
Garth Graham	Scottish and Southern	✓	✓	✓
Dennis Gowland	Fairwind Orkney Ltd	✓	✓	✓
Laura Jeffs	Centrica	✓	✓	✓
Robert Longden	Airtricity	✓	✓	✓
John Morris	British Energy	✓	✓	✓
Alec Morrison	Scottish and Southern	x	x	✓
John Norbury	RWE	✓	✓* <b>(alternate Bill Reed)</b>	✓
David Scott	EDF	✓	✓	✓
Ben Sheehy	E.ON	✓	x	✓
Tim Russell	Russell Power	✓	✓	✓
Jenny Boothe	Ofgem	✓	✓	x

**Note**

\* Indicates an alternative representative attended the Working Group meeting on their behalf.

**ANNEX 5 – AMENDMENT PROPOSAL FORM**

<b>CUSC Amendment Proposal Form</b>	<b>CAP:151</b>
Title of Amendment Proposal:	
<b>Construction Agreements Works Register</b>	
Description of the Proposed Amendment ( <i>mandatory by proposer</i> ):	
<p>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.</p> <p>The Works Register will, in respect of each such Construction Agreement and BELLA, set out:</p> <ul style="list-style-type: none"> <li>• the name of the Generator or Interconnector Owner,</li> <li>• the Connection Site (or in the case of an Embedded Generator the site of connection),</li> <li>• the Completion Date(s) and;</li> <li>• the Transmission Reinforcement Works which relate to such Construction Agreement and BELLA (each as amended from time to time).</li> </ul> <p>The Works Register shall be published on the Company Website within 10 business days of completing the agreements.</p> <p>It is proposed that the register will provide a more comprehensive and timely picture of the works required to connect a certain generation project. The register is intended to provide a process for mapping works against construction agreements entered into to facilitate the connection of generation projects. This information will enable users to better determine any gaps that could appear as a consequence of a user reducing capacity or terminating their construction agreements.</p>	
Description of Issue or Defect that Proposed Amendment seeks to Address ( <i>mandatory by proposer</i> ):	
<p>There is currently very little information on the works required to connect any generation projects and it is therefore difficult for developers and potential developers to determine the impact of any new application or the consequence/opportunity project attrition. Some of this data is contained within table 6.2 of the Seven Year Statement, however this data is limited and not contract specific.</p>	
Impact on the CUSC ( <i>this should be given where possible</i> ):	

None anticipated
<b>Impact on Core Industry Documentation</b> <i>(this should be given where possible):</i> None anticipated
<b>Impact on Computer Systems and Processes used by CUSC Parties</b> <i>(this should be given where possible):</i>  <b>Development of the Company's website to include this data.</b>
<b>Details of any Related Modifications to Other Industry Codes</b> <i>(where known):</i>  <b>Not Applicable</b>
<b>Justification for Proposed Amendment with Reference to Applicable CUSC Objectives**</b> <i>(mandatory by proposer):</i>  This amendment will provide Users with a more comprehensive and timelier picture of GB transmission capacity. This will facilitate Users to identify opportunities to connect earlier as a result of changes to the contracted background. If implemented the proposed changes will further the efficient use of the system and better facilitate competition in generation. Consequently, better facilitating both CUSC Applicable Objective's (a) and (b).

<b>Details of Proposer:</b> Organisation's Name:	National Grid
Capacity in which the Amendment is being proposed:  (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	Phil Collins National Grid 01926 656143 <a href="mailto:Phil.Collins@uk.ngrid.com">Phil.Collins@uk.ngrid.com</a>

<b>Details of Representative's Alternate:</b>	Clare Talbot National Grid 01926 656377 <a href="mailto:Clare.Talbot@uk.ngrid.com">Clare.Talbot@uk.ngrid.com</a>
<b>Attachments (Yes/No):</b> <b>If Yes, Title and No. of pages of each Attachment:</b>	
<b>ANNEX 1 – Proposed Legal Text</b> <b>ANNEX 2 – Proposed Register</b>	

**Notes:**

1. Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the Amendments Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.
2. The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform the Proposer.

The completed form should be returned to:

Beverley Viney  
Panel Secretary  
Commercial Frameworks  
National Grid  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

Or via e-mail to: [Beverley.Viney@uk.ngrid.com](mailto:Beverley.Viney@uk.ngrid.com)

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer that is a CUSC Party shall be deemed to have granted this Licence).

3. Applicable CUSC Objectives\*\* - These are defined within the National Grid Company Transmission Licence under Section C7F, paragraph 15. Reference should be made to this section when considering a proposed amendment.