

CUSC Parties

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Dear Industry Colleagues,

Proposed Updates to Sections 11 and 14 of the Connection and Use of System Code (CUSC)

On 30th December 2010 National Grid implemented CUSC Amendment Proposal 188. This Amendment Proposal brought the Charging Methodologies and their governance under the Connection and Use of System Code (the CUSC). As a result, a new section of the CUSC, section 14, has been created containing the Statement of Use of System Charging Methodology and the Statement of Connection Charging Methodology.¹

In accordance with the Authority Decision Letter of 14th December 2010, this was achieved without amending the content of the Methodology statements. It was recognised that whilst such an amalgamation was sufficient for the implementation of CAP188, there remained a requirement to review the Methodology statements to ensure consistency between the statements and the CUSC.

At the Transmission Charging Methodologies Forum (TCMF) on 26th January 2011, the proposed process for this review of the Methodology statements was presented and discussed. It was stressed that the review would be limited to a simple housekeeping type or 'self governance' exercise, consisting of a 'top and tail' of both the Statement of Connection Charging Methodology and the Statement of Use of System Charging Methodology, and a number of minor non-material consistency changes of text in the statements. It was agreed that as any changes would be non material, a draft of the proposed changes would be circulated prior to submission of a formal Modification Proposal to the CUSC Modifications Panel. This would allow CUSC Parties to have early visibility of the proposed modifications and avoid a lengthy Workgroup so an overall more efficient approach. It was intended that, given the nature of the changes, the formal Modification Proposal would be taken forward using CUSC self governance arrangements.

¹ <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/contracts/>

Following this, National Grid has produced drafts of proposed changes and these are attached as annexes to this letter. The proposed 'top and tail' affects the following sections of the CUSC;

- **Section 11 – Interpretation and Definitions.** The majority of modifications were completed as part of the implementation of CAP188. However there is a small amount of further rationalisation required. Proposed amendments are listed in Annex A.
- **Section 14 – Charging Methodologies.** There are no material changes made to the methodologies. The proposed changes are limited to the removal of superfluous sections at the start and end of each Methodology statement. Specifically this consists of removal of the Table of Contents, General Introduction, and Glossary sections of both Statements, and cosmetic tidying to align with the form of the main CUSC body. The proposed revised section 14 is provided in Annex B.

It our intention that a Modification Proposal reflective of these proposed changes is taken to the CUSC panel meeting on 25th March 2011. We therefore invite CUSC Parties to review the attached proposals, and ask that any comments or suggestions are forwarded to me by 11th March 2011.

Parties should note that under the self governance change process no changes to legal text other than those in the original proposal can be included. Therefore this informal consultation is the only route to proposing changes to the legal text that National Grid will submit for CUSC Panel consideration. Under the self governance route the CUSC Panel will separately take forward a formal consultation on the proposal.

If you have any queries please do not hesitate to contact me 01926 656319 or patrick.hynes@uk.ngrid.com or William Kirk-Wilson on 01926 655424 william.kirkwilson@uk.ngrid.com .

Yours sincerely,

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