

**DRAFT FOR AMENDMENTS**  
**PANEL RECOMMENDATION**  
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## **AMENDMENT REPORT**

### **CUSC Proposed Amendment CAP130 CUSC Connection Application Form – Fixed & Variable Fees**

*The purpose of this report is to assist the  
Authority in their decision of whether to  
implement Amendment Proposal CAP130*

Amendment Ref	CAP130
Issue	0.2
Date of Issue	17 November 2006
Prepared by	National Grid

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

Version	Date	Author	Change Reference
0.1	8/11/2006	National Grid	Draft for Industry Comment
0.2	17/11/2006	National Grid	Draft for Amendments Panel Recommendation Vote
0.3		National Grid	Draft for Amendments Panel Members comment
1.0		National Grid	Formal version for submission to the Authority

**b Document Location**

National Grid Website:

[www.nationalgrid.com/uk/Electricity/Codes/](http://www.nationalgrid.com/uk/Electricity/Codes/)

**c 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 CAP130 CUSC Connection Application form – Fixed and Variable Application Fees was proposed by National Grid and submitted to the Amendments Panel on 29<sup>th</sup> September 2006. CAP130 proposes to amend the CUSC Connection Application Forms within Exhibits B (Connection Application), D (Use of System Application), I (Modification Application) and Q (BELLA Application) to provide information to Applicants regarding their choice in application fee between fixed and variable fee and to include a tick box to request Applicants to indicate their application fee choice.
- 1.2 CAP130 will therefore create a formal process which enables Users to indicate their application fee choice.

### National Grid Recommendation

- 1.3 National Grid, as the proposer of CAP130 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC Objective (a) and should be implemented 10 Business Days after the Authority decision.

### Amendment Panel Recommendation

- 1.4

## 2.0 PURPOSE AND INTRODUCTION

- 2.1 This Amendment Report has been prepared and issued by National Grid under the rules and procedures specified in the Connection and Use of System Code (CUSC) as designated by the Secretary of State.
- 2.2 Further to the submission of Amendment Proposal CAP130 (see Annex 2) and the subsequent wider industry consultation that was undertaken by National Grid, this document is addressed and furnished to the Gas and Electricity Markets Authority (“the Authority”) in order to assist them in their decision whether to implement Amendment Proposal CAP130.
- 2.3 CAP130 was proposed by National Grid and submitted to the CUSC Amendments Panel for consideration at their meeting on 29 September 2006 and the Amendments Panel determined that CAP130 was appropriate to proceed to wider industry consultation by National Grid.
- 2.4 This document outlines the nature of the CUSC changes that are proposed. It incorporates National Grid’s recommendations to the Authority concerning the Amendment. Copies of all representations received in response to the consultation have been also been included and a ‘summary’ of the representations received is also provided. Copies of each of the responses to the consultation are included as Annex 3 to this document.
- 2.5 This Amendment Report has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid website, at [www.nationalgrid.com/uk/Electricity/Codes/](http://www.nationalgrid.com/uk/Electricity/Codes/).

### **3.0 PROPOSED AMENDMENT**

- 3.1 CAP130 proposes to amend the CUSC connection Application Forms within Exhibits B (Connection Application), D (use of System Application), I (modification Application) and Q (BELLA Application) to provide information to Applicants regarding their choice.
- 3.2 Whilst the Charging Statements make it clear that an Applicant can choose to pay the advance of National Grid's Engineering Charges on a fixed or variable basis, the Application forms themselves in the CUSC Exhibits B, D, I and Q do not provide Applicants with the ability to indicate which fee they wish use for their application. Consequently, this results in a delay in the application process as National Grid has to clarify with the Applicant which fee they wish to use.
- 3.3. Therefore CAP130 proposes to amend the Application Forms with CUSC Exhibits B, D, I and Q to provide Applicants with details regarding their choice in fee and a tick box to indicate which fee they wish to utilise.

### **4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES**

#### **Proposed Amendment**

- 4.1 In the view of National Grid CAP130 would better facilitate the CUSC Objective;

*(a) the efficient discharge by the Licensee of the obligations imposed upon it by the act and the Transmission Licence; and*

- 4.2 National Grid believes CAP130 will remove inefficiencies and delays within the application process by ensuring all new Applicants indicate their preferred method of application fee when applying to National Grid, therefore better facilitate the achievement of objective (a).

### **5.0 PROPOSED IMPLEMENTATION**

- 5.1 National Grid proposes CAP130 should be implemented 10 Business Days after an Authority decision, as it would be beneficial for the User and National Grid because it will increase efficiency in the application process. In accordance with 8.19.3(b) views are invited on this proposed implementation date.
- 5.2 No respondents to the CAP130 consultation expressed a view on the proposed implementation date. There is, therefore, no disparity between the view of the Industry and that of National Grid

### **6.0 IMPACT ON THE CUSC**

- 6.1 CAP130 requires amendments to Exhibit B Connection Application, Exhibit D Use of System Application, Exhibit I Modification Application, and Exhibit Q BELLA Application of the CUSC.
- 6.2 The text required to give effect to the Proposal is contained in Annex 1 of this document.

**7.0 IMPACT ON CUSC PARTIES**

7.1 CAP130 has no impact on CUSC Parties.

**8.0 IMPACT ON INDUSTRY DOCUMENTS****Impact on Core Industry Documents**

8.1 CAP130 has no impact upon on Industry Computer Systems or Processes.

**Impact on other Industry Documents**

8.2 CAP130 has no impact upon other Industry Documents.

**9.0 VIEWS AND REPRESENTATIONS**

9.1 This Section contains a summary of the views and representations made by consultees during the consultation period in respect of the Proposed Amendment.

**Views of Panel Members**

9.2 No views or representations were made by Panel Members in their capacity as Panel Members during the Consultation.

**View of Core Industry Document Owners**

9.3 No views or representations were made by Core Industry Document Owners.

**Responses to Consultation**

9.4 The following table provides an overview of the representations received. Copies of the representations are attached as Annex 3.

Reference	Company	Supportive	Comments
CAP130-CR-01	SAIC Ltd. For and on behalf of: ScottishPower's Energy Wholesale Business	YES	SAIC believes that CAP130 will clarify the options available to Applicants and thus assist in the connection application process, thus helping to better achieve applicable CUSC objectives.
CAP130 –CR -01	Centric Energy	YES	Centrica Energy believes that CAP130 will better facilitate CUSC Objective (a), removing a minor inefficiency in the Connection Application process.

## **10.0 AMENDMENT PANEL RECOMMENDATION**

10.1

## **11.0 NATIONAL GRID RECOMMENDATION**

11.1 National Grid believes CAP130 would ensure a formal process is created to identify which application fee an Applicant wishes to use and will therefore remove inefficiency and delays within the application process.

## **12.0 COMMENTS ON DRAFT AMENDMENT REPORT**

12.1 National Grid received nil responses following the publication of the draft Amendment Report.

**ANNEX 1 – PROPOSED LEGAL TEXT TO MODIFY THE CUSC****CUSC Exhibit B – The Connection and Use of System Code Connection Application**

New paragraph 15 in the application notes

Inserting the coloured underline text at paragraph 15 and re numbering of subsequent paragraphs.

15. Applicants have the ability to choose whether they wish to apply on a fixed or variable application fee basis. Fixed application fee is derived from analysis of historical costs of similar applications. Variable application fee is based on an advance of the Transmission Licensee's Engineering and out of pocket expenses and will vary according to the size of the scheme and the amount of work involved. Applicants are requested to indicate their preferred application fee in question (insert question number). Applicants are advised that further information can be obtained from the Charging Statements which can be found on National Grid Electricity Transmission plc's website. If Applicants require further assistance they are recommended to contact National Grid Electricity Transmission plc's Headquarters, where our staff will be pleased to help.

New question 7 in section A

Inserting the coloured underline text after question 6 in Section A

7. Please identify which application fee basis you wish to use for this application.

Fixed application fee

Variable application fee

**CUSC Exhibit D – The Connection and Use of System Code Use of System Application**

New paragraph 15 in the application notes

Inserting the coloured underline text at paragraph 15 and re numbering of subsequent paragraphs.

15. Applicants have the ability to choose whether they wish to apply on a fixed or variable application fee basis. Fixed application fee is derived from analysis of historical costs of similar applications. Variable application fee is based on an advance of the Transmission Licensee's Engineering and out of pocket expenses and will vary according to the size of the scheme and the amount of work involved. Applicants are requested to indicate their preferred application fee in question (insert question number). Applicants are advised that further information can be obtained from the Charging Statements which can be found on National Grid Electricity Transmission plc's website. If Applicants require further assistance they are recommended to contact National Grid Electricity Transmission plc's Headquarters, where our staff will be pleased to help.

New question 6 in section A

Inserting the coloured underline text after question 5 in Section A

6. Please identify which application fee basis you wish to use for this application.

Fixed application fee

Variable application fee

**Exhibit I - The Connection and Use of System Code Modification Application**

New paragraph 13 in the application notes

Inserting the coloured underline text at paragraph 13 and re numbering of subsequent paragraphs.

13. Applicants have the ability to choose whether they wish to apply on a fixed or variable application fee basis. Fixed application fee is derived from analysis of historical costs of similar applications. Variable application fee is based on an advance of the Transmission Licensee's Engineering and out of pocket expenses and will vary according to the size of the scheme and the amount of work involved. Applicants are requested to indicate their preferred application fee in question (insert question number). Applicants are advised that further information can be obtained from the Charging Statements which can be found on National Grid Electricity Transmission plc's website. If Applicants require further assistance they are recommended to contact National Grid Electricity Transmission plc's Headquarters, where our staff will be pleased to help

New question 6 in section A

Inserting the coloured underline text after question 5 in Section A

6. Please identify which application fee basis you wish to use for this application.

Fixed application fee

Variable application fee

**Exhibit Q - The Connection and Use of System Code BELLA Application**

New paragraph 13 in the application notes

Inserting the coloured underline text at paragraph 13 and re numbering of subsequent paragraphs.

15. Applicants have the ability to choose whether they wish to apply on a fixed or variable application fee basis. Fixed application fee is derived from analysis of historical costs of similar applications. Variable application fee is based on an advance of the Transmission Licensee's Engineering and out of pocket expenses and will vary according to the size of the scheme and the amount of work involved. Applicants are requested to indicate their preferred application fee in question (insert question number). Applicants are advised that further information can be obtained from the Charging Statements which can be found on National Grid Electricity Transmission plc's website. If Applicants require further assistance they are recommended to contact National Grid Electricity Transmission plc's Headquarters, where our staff will be pleased to help.

New question 6 in section A

Inserting the coloured underline text after question 5 in Section A

6. Please identify which application fee basis you wish to use for this application.

Fixed application fee

Variable application fee

**ANNEX 2 – AMENDMENT PROPOSAL FORM**

<b>CUSC Amendment Proposal Form</b>	<b>CAP:130</b>
<i>Title of Amendment Proposal:</i>	
CUSC Connection Application Form – Fixed and Variable Application Fees	
<i>Description of the Proposed Amendment (mandatory by proposer):</i>	
<p>It is proposed to amend the CUSC Application Forms within Exhibits B (Connection Application), D (Use of System Application), I (Modification Application) and Q (BELLA Application) to provide information to Applicants regarding their choice in application fee between fixed and variable fee and to include a tick box to request Applicants to indicate their application fee choice.</p>	
<i>Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer):</i>	
<p>The CUSC and Charging Statements set out the obligations for an Applicant to pay National Grid's Engineering Charges associated with an Application, based on the fees published in The Statement of Use of System Charges. The Charging Statements allow for the Engineering Charges to be levied on a fixed or variable basis, according to the wishes of the Applicant.</p> <p>While the Charging Statements make it clear that an Applicant can choose to pay the advance of National Grid's Engineering Charges on a fixed or variable basis, the Application forms themselves in the CUSC Exhibits B, D, I and Q do not provide Applicants with the ability to indicate which fee they wish to use for their application.</p> <p><b><i>Consequently this creates inefficiencies and delays in the application process as National Grid needs to clarify with the Applicant which basis then intend to use before the application can be processed.</i></b></p>	
<i>Impact on the CUSC (this should be given where possible):</i>	
<p><b>CUSC Exhibits</b></p> <p>Exhibit B Connection Application Exhibit D Use of System Application Exhibit I Modification Application Exhibit Q BELLA Application</p> <p>The proposed Legal text to modify the CUSC is detailed below in the Annex 1 by inserting the coloured underlined text and deleting the text shown struck through.</p>	
<i>Impact on Core Industry Documentation (this should be given where possible):</i>	
None identified	

**Impact on Computer Systems and Processes used by CUSC Parties** (*this should be given where possible*):

**None identified**

**Details of any Related Modifications to Other Industry Codes** (*where known*):

**N/A**

**Justification for Proposed Amendment with Reference to Applicable CUSC Objectives\*\* (mandatory by proposer):**

National Grid believes that this proposal will better facilitate CUSC Applicable Objective (a) **(The efficient discharge by the licensee of the obligations imposed upon it under the Act and by the Transmission Licence)** by removing inefficiencies and delays within the application process by ensuring all Applicants indicate their preferred method of application fee, either fixed or variable.

<b>Details of Proposer:</b> Organisation's Name:	National Grid
<i>Capacity in which the Amendment is being proposed:</i> (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	<b>Bali Virk</b> <b>National Grid</b> <b>01926 656023</b> <a href="mailto:Bali.Virk@uk.ngrid.com">Bali.Virk@uk.ngrid.com</a>
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Emma Carr National Grid 01926 655843 <a href="mailto:Emma.j.carr@uk.ngrid.com">Emma.j.carr@uk.ngrid.com</a>
<b>Attachments (Yes/No):</b> <b>If Yes, Title and No. of pages of each Attachment:</b>	No

**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.

**ANNEX 3 – REPRESENTATIONS RECEIVED DURING CONSULTATION**

This Annex includes copies of any representations received following circulation of the Consultation Document (circulated on 6 October 2006, requesting comments by close of business on 3 November 2006).

Representations were received from the following parties:

No.	Company	File Number
1	SAIC Ltd	CAP130-CR-01
2	Centrica Energy	CAP130-CR-02

<b>Reference</b>	CAP130-CR-01
<b>Company</b>	SAIC Ltd



Beverley Viney  
Amendments Panel Secretary  
Electricity Codes  
National Grid  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

**Ref** CAP130  
**Date** 2<sup>nd</sup> November 2006

**Tel No.** 01355 845208  
**Email:** [ukelectricityspoc@saic.com](mailto:ukelectricityspoc@saic.com)

Dear Beverley,

**CUSC Amendment Proposal CAP130, CUSC Connection Application Form Fixed and Variable Application Fees**

Thank you for the opportunity to comment on the Consultation for Amendment Proposal CAP130 regarding the CUSC Connection Application Form Fixed and Variable Application Fees. This response is submitted on behalf of ScottishPower's Energy Wholesale Business which includes ScottishPower Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd.

In reviewing this Proposal, we have noted that the proposed insertions clarify the options available to applicants and thus assist in the connection application process, thus helping to better achieve the applicable CUSC objectives. As such, we support this change.

Yours sincerely

**Gary Henderson**

SAIC Ltd.  
For and on behalf of: ScottishPower's Energy Wholesale Business which includes ScottishPower Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd.

<b>Reference</b>	CAP130-CR-02
<b>Company</b>	Centrica Energy



Beverley Viney  
Amendments Panel Secretary  
Electricity Codes  
National Grid  
National Grid House  
Warwick Technology Park  
Gallows Hill  
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Centrica Energy  
Millstream East,  
Maidenhead Road,  
Windsor,  
Berkshire SL4 5GD

Tel. (01753) 431000  
Fax (01753) 431150  
[www.centrica.com](http://www.centrica.com)

Our Ref.  
Your Ref.  
03 November 2006

Dear Beverley,

**CUSC Amendment Proposal P130 – Consultation Response**

Centrica welcomes the opportunity to comment on this Amendment Proposal.

We believe that the proposed amendment will better facilitate CUSC Objective (a), removing a minor inefficiency in the Connection Application process.

If you have any queries in relation to this response, please do not hesitate to contact me.

Best regards,

Dave Wilkerson  
Centrica Energy

T: 01753 431157  
M: 07789 572724  
E: [dave.wilkerson@centrica.co.uk](mailto:dave.wilkerson@centrica.co.uk)

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