



National Grid

CONSULTATION DOCUMENT

CUSC Amendment Proposal CAP072 Generation Reconciliation Statements

*The purpose of this document is to
consult on Amendment Proposal CAP072
with CUSC Parties and other interested
Industry members*

Amendment Ref	CAP072
Issue	1.0
Date of Issue	27 April 2004
Prepared by	National Grid

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

Version	Date	Author	Change Reference
0.1	22/4/04	National Grid	Initial Draft for internal comment
1.0	27/0404	National Grid	Formal version for release

b Document Location

National Grid website:

http://www.nationalgridinfo.co.uk/cusc/mn_consultation_index.html

c Distribution

Name	Organisation
CUSC Parties	Various
Panel Members	Various
Interested Parties	Various
Core Industry Document Owners	Various
National Grid Industry Information Website	-

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1.0 SUMMARY

- 1.1 CAP072 will re-instate Paragraph 3.12.2 into the CUSC. This was erroneously deleted after the implementation of CAP065. The re-instated Paragraph will actually become 3.13.2 after the implementation of CAP055.
- 1.2 CAP072 was proposed by National Grid and submitted to the CUSC Amendments Panel for consideration at their meeting on 23rd April 2004. The Amendments Panel determined that the issue was appropriate to proceed to wider industry consultation by National Grid.
- 1.3 This document initiates this wider consultation exercise and invites views on CUSC Amendment Proposal CAP072. The consultation closing date is **Friday 28th May**.

2.0 INTRODUCTION

- 2.1 This is a consultation document 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 CAP072, this document seeks views from industry members relating to the Amendment Proposal.
- 2.3 Representations received in response to this consultation document will be included in National Grid's Amendment Report that will be furnished to the Authority for their decision.
- 2.4 This consultation document has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid website, at <http://www.nationalgrid.com/uk/indinfo/cusc>, and the Amendment Proposal form.

3.0 THE AMENDMENT PROPOSAL

- 3.1 CAP072 will re-instate Paragraph 3.12.2 into the CUSC. This was erroneously deleted after the implementation of CAP065. The re-instated Paragraph will actually become 3.13.2 now that CAP055 has been implemented.
- 3.2 Paragraph 3.12.2 required NGC to produce a Generation Reconciliation Statement in respect of generation related TNUoS Charges and send it to the User as soon as practicable and in any event by 31st March in each financial year. The Statement shall specify the Actual Amount and the Notional Amount of generation related TNUoS Charges for each month during the relevant Financial Year and, in reasonable detail the information from which such amounts were derived and the manner in which they were calculated.
- 3.3 CAP065 was a Housekeeping Amendment Proposal submitted to the Panel by National Grid with a number of other Housekeeping Amendments on 18th September 2003. CAP065 proposed the deletion of a number of redundant Paragraphs in the CUSC related to NETA Go-Live. The Amendment Proposal included a list of Paragraphs for deletion one of which was Paragraph 3.12.2. This was an error - the Amendment Proposal should have referred to Paragraph 3.13.2 for deletion and not 3.12.2. The Authority approved

CAP065 on 23rd December 2003 for implementation on 2nd January 2004. NGC agreed at the CUSC Amendments Panel meeting held on 26th March 2004 that there had been an error in CAP065 and agreed to bring forward an Amendment Proposal to the April 2004 Panel meeting to rectify the position.

4.0 ASSESSMENT AGAINST THE APPLICABLE CUSC OBJECTIVES

4.1 Correcting the CUSC in this way will enable National Grid to fulfil its obligations to facilitate competition in the generation and supply of electricity. Provision of the Generation Reconciliation Statements will enable National Grid to more easily and efficiently discharge its obligations under the Act and the Transmission Licence.

5.0 IMPLEMENTATION AND TIMESCALES

5.1 There is no material impact associated with the timing of the implementation of CAP072. It is therefore proposed that implementation takes place with effect from 10 days after the Authority's decision.

6.0 INITIAL VIEW OF AMENDMENTS PANEL

6.1 The Panel considered CAP072 at its meeting on 23rd April and agreed that National Grid should proceed to industry consultation on CAP072.

7.0 INITIAL VIEW OF NATIONAL GRID

7.1 National Grid proposed CAP072 and believes that it will better facilitate achievement of the Applicable CUSC Objectives.

8.0 VIEWS INVITED

8.1 National Grid is seeking the views of interested parties in relation to the issues raised by Amendment Proposal CAP072 and any issues arising from the proposed timescale for implementation.

8.2 Please send your responses to this consultation to National Grid by no later than close of business on **Friday 28th May 2004**.

8.3 Please address all comments to the following e-mail address:

richard.dunn@uk.ngrid.com

Or alternatively, comments may be addressed to:

Richard Dunn
Commercial Frameworks
National Grid Company plc
National Grid Transco House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Annex 1

CUSC Amendment Proposal Form	CAP: 072
Title of Amendment Proposal:	
Generation Reconciliation Statements	
Description of the Proposed Amendment (<i>mandatory by proposer</i>): <p>CAP072 will re-instate Paragraph 3.12.2 into the CUSC. This was erroneously deleted after the implementation of CAP065. The new Paragraph will actually become 3.13.2 after the implementation of CAP055.</p> <p>Paragraph 3.12.2 required NGC to produce a Generation Reconciliation Statement in respect of generation related TNUoS Charges and send it to the User as soon as practicable and in any event by 31st March in each financial year. The Statement shall specify the Actual Amount and the Notional Amount of generation related TNUoS Charges for each month during the relevant Financial Year and, in reasonable detail the information from which such amounts were derived and the manner in which they were calculated.</p>	
Description of Issue or Defect that Proposed Amendment seeks to Address (<i>mandatory by proposer</i>): <p>CAP065 was a Housekeeping Amendment Proposal submitted to the Panel by National Grid with a number of other Housekeeping Amendments on 18th September 2003. CAP065 proposed the deletion of a number of redundant Paragraphs in the CUSC related to NETA Go-Live. The Amendment Proposal included a list of Paragraphs for deletion one of which was Paragraph 3.12.2. This was an error - the Amendment Proposal should have referred to Paragraph 3.13.2 for deletion and not 3.12.2. The Authority approved CAP065 on 23rd December 2003 for implementation on 2nd January 2004. NGC agreed at the CUSC Amendments Panel meeting held on 26th March 2004 that there had been an error in CAP065 and agreed to bring forward an Amendment Proposal to the April 2004 Panel meeting to rectify the position.</p> <p>A Housekeeping Amendment will be submitted to the Panel separately to propose deletion of Paragraph 3.13.2 (which will become Paragraph 3.14.2 after the implementation of CAP055 on 23rd April) in due course.</p>	
Impact on the CUSC (<i>this should be given where possible</i>): <p>Paragraph 3.12.2 will be re-instated in the CUSC (see attachment). Post-implementation of CAP055 this will actually become Paragraph 3.13.2 in the CUSC.</p>	
Impact on Core Industry Documentation (<i>this should be given where possible</i>): <p>None.</p>	
Impact on Computer Systems and Processes used by CUSC Parties (<i>this should be given where possible</i>): <p>None.</p>	
Details of any Related Modifications to Other Industry Codes (<i>where known</i>): <p>None.</p>	

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

Correcting the CUSC in this way will enable National Grid to fulfil its obligations to facilitate competition in the generation and supply of electricity. Provision of the Generation Reconciliation Statements will enable National Grid to more easily and efficiently discharge its obligations under the Act and the Transmission Licence.

Details of Proposer: Organisation's Name:	The National Grid Company plc
Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Ben Graff The National Grid Company plc 01926 656312 ben.graff@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Richard Dunn The National Grid Company plc 01926 656211 richard.dunn@uk.ngrid.com
Attachments (Yes/No): Yes If Yes, Title and No. of pages of each Attachment: Text of Paragraph 3.12.2 for re-insertion in the CUSC (1 page)	

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:

Richard Dunn
Panel Secretary
Commercial Frameworks
National Grid Company plc
National Grid Transco House
Warwick Technology Park
Gallows Hill
Warwick, CV34 6DA
Or via e-mail to: CUSC.Team@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.

Text of Paragraph 3.12.2 for insertion in the CUSC (NB: This will become Paragraph 3.13.2 after the implementation of CAP055 on 23rd April)

Generation Reconciliation

- 3.12.2 As soon as reasonably practicable and in any event by 31 March in each **Financial Year** NGC shall prepare a generation reconciliation statement (the "**Generation Reconciliation Statement**") in respect of generation related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of generation related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.

Annex 2 - Proposed Text to Modify CUSC

Part A - Text to give effect to the Proposed Amendment

Generation Reconciliation

3.13.2 As soon as reasonably practicable and in any event by 31 March in each **Financial Year** NGC shall prepare a generation reconciliation statement (the "**Generation Reconciliation Statement**") in respect of generation related **Transmission Network Use of System Charges** and send it to the **User**. Such statement shall specify the **Actual Amount** and the **Notional Amount** of generation related **Transmission Network Use of System Charges** for each month during the relevant **Financial Year** and, in reasonable detail, the information from which such amounts were derived and the manner in which they were calculated.