CUSC Amendment Proposal Form

CAP: 097

Title of Amendment Proposal:

Revision to the contractual requirements for Small and Medium Embedded Power Stations under CUSC 6.5.

Description of the Proposed Amendment (mandatory by proposer):

This Amendment Proposal clarifies NGC's requirements from Embedded Small and Medium Power Stations in order to efficiently discharge its obligations imposed through the Transmission Licence and the Act. In setting out the requirements this Amendment Proposal recognises the Grid Code LEEMPS proposal in relation to the NGC/ DNO / Medium Power Station interfaces and seeks to ensure the CUSC processes under CUSC 6.5 are consistent with the requirements of the Grid Code.

This Amendment Proposal therefore includes additional requirements that whilst stand-alone support proposals by the LEEMPS working group under the Grid Code. The Grid Code changes are based on an indirect relationship between NGC and Embedded Medium Power Stations, facilitated via the DNO. The DNO would ensure the Embedded Medium Power Station complies with the relevant requirements of the Grid Code, including the provision of information to allow NGC to assess the impact of an Embedded development on the Transmission System.

Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer):

The existing wording of clause 6.5.1 is ambiguous on the need for a contractual agreement between an Embedded Generator and National Grid. The current generation licensing arrangements are that Embedded Generators that are less than 100 MW could apply for and generally receive a Derogation from the need to hold a Generation Licence and hence accede to the CUSC. The contractual framework largely assumes that NGC will enforce the requirement of the Grid Code directly through the CUSC. This modification, along the current LEEMPS proposals under the Grid Code, seek to clarify that Embedded Medium Power Stations do not require a direct contractual relationship with NGC. However, NGC would still need to assess and address their impact on the Transmission System prior to them becoming connected and require them to comply with the relevant sections of the Grid Code.

Impact on the CUSC (this should be given where possible):

In line with the above proposals NGC propose that the CUSC may need to be modified in the following manner:

- Introduce provisions that following the notification by a User who owns or operates a
 Distribution System to NGC of a proposed connection to that User's System NGC may
 provide where necessary a Statement of Works relating to the proposed connection. Such
 Statement of Works would specify the Works (if any) that are required to facilitate the Use of
 the GB Transmission System by the Small or Medium Power Station. The provisions
 included within the CUSC would also specify the timescales in which NGC should provide
 such an offer
- Introduce provisions through which NGC may make a reasonable charge for assessing the impact of the connection to the User's System on the GB Transmission System
- Place obligations upon the User who owns or operates the Distribution System to provide
 - details of the Small or Medium Power Station in accordance with the Grid Code upon requesting the Statement of Works
 - notification to NGC in the event that the proposed date of connection of the Small or Medium Power Station changes and upon such notification request a revised Statement of Works
- Obligations to ensure that the User who owns or operates the Distribution System shall
 continue to ensure that the Small or Medium Power Station continues to comply with the
 relevant site specific requirements provided through the Statement of Works and the relevant
 requirements of the Grid Code at all times subject as otherwise provided for under the CUSC.

Modify the existing CUSC section 6.5.1 (a) to specify that a User who owns or operates a
Distribution System shall not Energise such a connection between a Medium Power Station
or Small Power Station until NGC has confirmed to that User that NGC has completed the
Works listed in the Statement of Works for such Small or Medium Power Station.

Impact on Core Industry Documentation (this should be given where possible):

Although not a Core Industry Document, there may also be the need to modify the NGC Charging Statements in order to specify the methodology behind any reasonable charge that NGC may make for the provision of the Statement of Works.

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

None

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

The Grid Code Review Panel has just completed a review of Licence Exempt Embedded Medium Power Stations. This Amendment Proposal seeks to ensure that the proposed changes identified for the Grid Code identified in D/05 can be efficiently implemented.

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

The changes proposed would remove the current ambiguity in CUSC 6.5.1, align the relationship between NGC, DNOs and Generators to the current Licensing framework established under 'The Electricity (Exemption from the Requirement for a Generation Licence) (England and Wales) Order 2002', and support the implementation of the changes proposed through the Grid Code Review Panel LEEMPS working group.

In combination, these will better facilitate NGC in the efficient discharge of the obligations imposed upon it under the Act and by the Licence, more specifically those under licence condition C14, amongst others.

The proposal will also facilitate 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 though ensuring the requirements in the CUSC and Grid Code are as transparent as possible and avoid any undue discrimination.

Details of Proposer: Organisation's Name:	
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:	Mark Duffield National Grid Transco 01926 654971 mark.duffield@ngtuk.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Ben Graff National Grid Transco 01926 656312 ben.graff@ngtuk.com

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Attachments: No

Title and No. of pages of each Attachment: