

Codes Summary

This document provides a summary as to the latest developments, which are happening on the various Industry Codes:

CUSC

Final Amendment Report for CAP119 - Clarification of, and correction to, the table of Users' Credit Allowances, was submitted to Ofgem on 2nd May 2006.

Authority Decisions

None

CUSC Amendments Panel Meeting

The next meeting of the CUSC Amendments Panel is scheduled for 19th May 2006. Consultation has closed on the following; CAP120, CAP121, CAP122, CAP123.

BSC

BSC Panel

The next BSC Panel is scheduled for 11th May 2006.

- P199 – (Quantification of demand control in BSC), goes back to the BSC Panel on 11th May 2006 for approval to go out to for Industry Consultation.
- New modification Proposal - P200 'Introduction of a Zonal Transmission Losses Scheme with a Transitional Scheme'

P194 – (Revised Derivation of the 'Main' Energy Imbalance Price) has been approved with an implementation date of 2nd November 2006. Utilita have withdrawn their Competition Commission Appeal.

Grid Code

Next meeting of the GCRP is scheduled for 20th July 2006.

The Third meeting of the Power Park Modules and Synchronous Generating Unit working group will be held w/c 10th July 2006.

Network Defence against Widespread Voltage Collapse Low Voltage Demand Working group is due to meet on 3rd October 2006. A document will be circulated in July 06 outlining the benefits and costs of introducing the scheme.

I/05 – Grid Code Balancing code changes associated with Embedded Exemptable Large Power Stations. Submitted to Ofgem on 26th April 2006.

Charging

National Grid published the Condition 2: (Cost of Incremental Capacity) Progress Report on 28th April 2006.

Condition 6: (Site Specific Maintenance) questionnaire has been published and is open for response until 28th May 2006.

Ofgem confirmed that Condition 5: (To publish an annual report showing forecast path of tariffs for 5 years) had been met 26th April 2006

Ofgem's TO Charging Consultation closes on Friday 12th May 2006.

TO Price Review

Transmission Price Control Review - The initial proposals document is due for publication at the end of June 2006.

Final ARODG Working Group Report to Ofgem due to go out on 10th May 2006, and a Consultation close date of 7th June 2006.

Further details can be found on the Ofgem website. Site: - <http://www.ofgem.gov.uk>

AMALGAMATED ELECTRICITY CODES AMENDMENT REPORT

As at 9th May 2006

This document contains the Amendment Registers for the CUSC, STC, BSC, TCMF & Grid Code and is correct as of the above date.

The most up to date versions may be found at the following websites:

STC: www.nationalgrid.com/uk/Electricity/Codes/sotocode/

CUSC: <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/>

BSC: www.elexon.co.uk/changeimplementation/ModificationProcess/ModificationReports/default.aspx

TCMF: www.nationalgrid.com/uk/Electricity/Charges/TCMF/

Grid Code: www.nationalgrid.com/uk/Electricity/Codes/gridcode/reviewpanelinfo/

STC AMENDMENT REGISTER – AS AT 3rd May 2006

All documents referred to in the Amendment Register are available on the National Grid STC website.

CA021

Exchange of Investment Planning Data

Proposer	National Grid	Submitted	11/04/06	Submitted Priority	Normal
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Amendment Description

This amendment proposes changes to paragraph 2.4.3 (and 2.4.2) of Schedule 3 of the STC to allow Parties to disclose specific data to Transmission Owners on an enduring basis for the purposes of transmission investment planning, specifically stability studies.

The current provisions of paragraph 2.4.3 of Schedule 3 will expire on 30 September 2006. However, in the view of the proposer, there is a continuing need for this data to be provided to enable all Parties to meet their Licence obligations. It is therefore proposed that this data exchange is made permanent, but that the relevant sections of Schedule 3 are made more specific about the data that can be disclosed.

Current status and progress

CA021 Exchange of Certain Investment Planning Data was proposed by National Grid and was discussed at the 18th April 2006 STC Committee meeting. The Committee decided to take forward CA021 to the Evaluation Phase. A meeting has been arranged for 8th May 2006 to discuss further.

CA020

GB Transmission System Performance Reporting

Proposer	SPTL	Submitted	14/03/06	Submitted Priority	Normal
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Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the development of a statement by which the GB Transmission System performance can be measured and for the production of the associated report. The production of the statement and the report are licence requirements on National Grid. It is a licence requirement on the TOs that they provide assistance to National Grid in the production of the report.

The proposed amendment is based upon existing STC processes by which the Transmission Licensees co-operate to produce the Seven Year Statement.

Current status and progress

CA020 GB Transmission Performance Reporting was proposed by SPTL and discussed at the March 2006 STC Committee meeting. The STC Committee decided for CA020 to go forward to the Evaluation phase.

A teleconference took place on 11th April 2006 to discuss the legal text. At the 18th April 2006 STC Committee meeting the Committee AGREED for CA020 to move to Assessment and Report Phase.

STC AMENDMENT REGISTER – AS AT 3rd May 2006

CA019

Assessment of the Impact of Certain Embedded Power Stations

Proposer	SPTL	Submitted	20/02/06	Submitted Priority	Normal
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Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. SPTL is also proposing an Alternative Amendment to CA019, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

CA018

Removal of the Restriction on Proposing Alternative Amendments

Proposer	National Grid	Submitted	14/02/06	Submitted Priority	Normal
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Amendment Description

This Amendment Proposal seeks to remove from the STC the restriction that each Party may only propose one Alternative Amendment. Paragraph 7.2.2.8 of Section B of the STC currently limits Parties to proposing only one Alternative Amendment. This has proved to be overly restrictive, particularly when developing STC amendments to “back-off” CUSC amendment proposals, which may contain a greater number of Alternatives.

Current status and progress

CA018 Removal of the Restriction on Proposing Alternative Amendments was discussed at the February Committee. The Committee decided that CA018 could proceed to the Assessment & Report Phase. At the March Committee meeting the Committee decided the Proposed Amendment Report to be sent for consultation for 10 business days.

Consultation closed on 6th April 2006. No industry responses received. At the STC Committee meeting on 18th April 2006 the Committee decided to submit to the Authority for determination. Amendment Report Submitted to Authority on 19th April 2006.

STC AMENDMENT REGISTER – AS AT 3rd May 2006

CA017

Assessment of the Impact of Certain Embedded Power Stations

Proposer	National Grid	Submitted	13/12/05	Submitted Priority	Normal
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Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the Working Group Alternative Amendment 1 to CUSC Amendment Proposal CAP097, which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA017, which would facilitate the revised process proposed by the CAP097 Consultation Alternative Amendment 1 proposed by CE Electric UK.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

CA016

Modification Applications in Respect of Certain Embedded Power Stations

Proposer	National Grid	Submitted	13/12/05	Submitted Priority	Normal
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Amendment Description

This Amendment Proposal seeks to establish a process in the STC for the assessment of the impact on the GB Transmission System of certain Embedded Power Stations in the licensed area, or within the boundary of influence, of a Transmission Owner.

This Amendment Proposal reflects the original CUSC Amendment Proposal CAP097 (as proposed by National Grid), which seeks to clarify National Grid's requirements of Small and Medium Embedded Power Stations as GBSO. National Grid is also proposing an Alternative Amendment to CA016, which would facilitate the revised process proposed by both the CAP097 Working Group Alternative Amendment 2 and the CAP097 Consultation Alternative Amendment 3 proposed by SP Transmission & Distribution.

Current status and progress

CA019 was discussed at the February Committee meeting. CA019 and Alternative have been proposed by SPTL as alternatives to CA017 and Alternative. This is linked to CA016 and CA017, and follows discussions at the CA016/17 working group held on 09/01/06, 01/02/06 and 15/02/06. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report.

A teleconference took place on 3rd April 2006. Committee decided to send out for Industry Consultation – Industry Consultation closed on 20th April 06. One Response was received. At the STC Committee meeting on 27th April 2006 the Committee AGREED to submit to the Authority. Amendment Report Submitted to Authority on 27th April 2006.

STC AMENDMENT REGISTER – AS AT 3rd May 2006

CA013

TEC Exchange Rate Request Process

Proposer	National Grid	Submitted	18/05/05	Submitted Priority	Normal
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Amendment Description

This amendment proposes that the STC be modified to clarify the process to be followed and the obligations on NGC and each Transmission Owner (TO) under the STC to jointly liaise in the preparation of a TEC Exchange Rate. This would occur when a TEC Exchange Rate Request is received from CUSC Parties, one or both of whom is sited in the licensed area or within the boundary of influence of a Transmission Owner.

Current status and progress

CA013 was presented to the May Committee meeting. The Committee decided that CA013 should proceed to the Assessment & Report Phase. STC Parties to provide their impact and assessment analysis by 5th August 2005. Outstanding impact and assessment analysis to be submitted by 2nd September. STC Committee agreed the content and format of the Proposed Amendment Report at September's Committee Meeting. Proposed Amendment Report circulated to the industry for comment on 27th September 2005. Responses to be received by 11th October 2005. Draft version of Amendment Report to be present to STC Committee Meeting in October for review/comment/approval. The Amendment Report was submitted to Ofgem on 20th October 2005. Authority approved CA013 on 1st December, for implementation on 8th December 2005.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

All documents referred to in the Amendment Register are available on the National Grid CUSC website.

CAP123

Quorum at Amendment Panel meetings held via teleconference

Proposer National Grid

Submitted 23/03/06

**Submitted
Priority** Normal

Amendment Description

CAP123 proposes to change CUSC 8.9.2 to ensure the available conference provisions within CUSC 8.7.8 can be fully utilised and that meetings held via this provision are capable of being a quorate meeting of the Amendments Panel.

Impact on STC:

None Identified

Current status and progress

CAP123 was presented to the March 2006 Panel meeting. The Panel decided that CAP123 should proceed to industry consultation. **The consultation report was circulated on 3 April 2006 with a closing date of 25 April 2006. The Draft Amendment Report was circulated on 27 April 2006 with a closing date of 5 May 2006**

CAP122

Change to the definition of Intertrip Payment for Power Park Modules

Proposer National Grid

Submitted 23/03/06

**Submitted
Priority** Normal

Amendment Description

CAP122 proposes to change the definition of Intertrip Payments within CUSC 4.2A.4(c) and associated terms, to one payment per Power Park Module instead of one payment per Generating Unit. In our view such a change is consistent with the underlying philosophy behind CAP076 and the applicable CUSC objectives and will remove the risk to the Industry of disproportionate costs were a Power Park Module to be tripped off the transmission system.

It is not the intention of this proposal to change the amount payable per trip, (i.e. £400,000), except in the specific context of Power Park Modules.

Impact on STC:

None Identified

Current status and progress

CAP122 was presented to the March 2006 Panel meeting. The Panel decided that CAP122 should proceed to industry consultation. **The consultation report was circulated on 6 April 2006 with a closing date of 5 May 2006.**

CAP121

Proposer National Grid

Amendment to Outturn Reconciliation

Submitted 23/03/06

Submitted Priority Normal

Amendment Description

CAP121 proposes to change the CUSC provision CUSC 2.14.3 (c) in circumstances where Outturn Reconciliation cannot be completed within one year of the Completion Date, thus providing both National Grid and the Generator with the flexibility to agree mutually acceptable timescales to complete the reconciliation process. Where mutual agreement cannot be reached, the existing 12 month period would remain in force.

Impact on STC:

The relevant STC provisions are contained in STCP19-2. However, paragraph 7.3.2 already states that the TO shall send NGET a Final Project Report “within 8 months of the Completion Date (or as otherwise agreed)”.

Current status and progress

CAP121 was presented to the March 2006 Panel meeting. The Panel decided that CAP121 should proceed to industry consultation. **The consultation report was circulated on 4 April 2006 with a closing date of 26 April 2006. The Draft Amendment Report was circulated on 28 April 2006 with a closing date of 8 May 2006.**

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP120

Connection Application Form – Alternative Connection Offers in England & Wales and Scotland

Proposer National Grid

Submitted 23/03/06

**Submitted
Priority** Normal

Amendment Description

CAP120 proposes to change the CUSC Application Form for Bilateral Connection Agreements, (CUSC Exhibit B) to include additional questions to ascertain whether an Applicant has or intends to make an alternative application for connection in England & Wales or Scotland (or vice versa) to enable National Grid to ensure disclosure of information within National Grid is managed in accordance with National Grid Licence Special Condition M.

An alternative connection application is when an Applicant applies for multiple connections to the GB transmission system at different locations and at least one location is outside National Grid's Transmission area i.e. Scotland and where the Applicant does not intend to connect at all the locations which they have applied for, but intends to connect at a location which is most beneficial for their project. Please note this does not apply to competing offers between the Scottish TO's, as no advantage can be gained by National Grid and the normal procedures for confidentiality shall apply.

The proposer requests and recommends that this Amendment Proposal proceeds straight to Industry Consultation for a period of 2 weeks as we believe that it would be beneficial to make this change in a timely way.

Impact on STC:

None Identified.

Current status and progress

CAP120 was presented to the March 2006 Panel meeting. The Panel decided that CAP120 should proceed to industry consultation. **The consultation report was circulated on 3 April 2006 with a closing date of 25 April 2006. The Draft Amendment Report was circulated on 27 April 2006 with a closing date of 5 May 2006**

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP119		Clarification of, and correction to, the table of Users' Credit Allowances			
Proposer	National Grid	Submitted	19/01/06	Submitted Priority	Normal
Amendment Description	Current status and progress				
CAP 119 proposes to update the table for Users' Credit Allowances as a % of unsecured Credit Cover.	CAP119 was presented to the January 2006 Panel meeting. The Panel decided that CAP119 should proceed to industry consultation. The consultation report was circulated on 2 nd February, with a closing date of 16 February 2006. A second period of consultation commenced on 21 February, which will conclude on 7 March 2006. The Draft Amendment Report was circulated on 23 March 2006. The Panel voted on 31 March 2006 for the Original Proposal. The Amendment Report was issued to the Authority on 26 April 2006.				
Impact on STC:					
None Identified					
CAP113-118		Housekeeping Amendment			
Proposer	National Grid	Submitted	19/01/06	Submitted Priority	Normal
Amendment Description	Current status and progress				
CAP's113 – 118 proposes to correct errors in various sections of the text.	CAP113-118 was presented to the January 2006 Panel Meeting. The Panel decided that all the amendments proposed were consistent with the definition of a housekeeping amendment and should be processed in accordance with Paragraph 8.21.2 of CUSC. Amendment Report issued to Authority on 20 February 2006. The Authority approved the Amendment on 23 March 2006 for implementation on 7 April 2006.				
Impact on STC:					
None Identified					
CAP108-112		Housekeeping Amendment			
Proposer	National Grid	Submitted	08/12/05	Submitted Priority	Normal
Amendment Description	Current status and progress				
CAP's108 – 112 proposes to correct errors in various sections of the text.	CAP108-112 was presented to the December Panel Meeting. The Panel decided that all the amendments proposed were consistent with the definition of a housekeeping amendment and should be processed in accordance with Paragraph 8.21.2 of CUSC. The Draft Amendment Report/Consultation Document was circulated on 23 rd December for a period of 10 business days until 11 th January 2006. The Authority approved the Original Amendment on 31 January 2006 for implementation on 14 th February 2006				
Impact on STC:					
None Identified					

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP107 Redefinition of Response Energy Payment (REP) for Mandatory Frequency Response

Proposer E.On

Submitted 08/12/05

**Submitted
Priority** Normal

Amendment Description

CAP107 seeks to make a change to the calculation of Response Energy Payment under section 4.1.3.9A of CUSC so what a generator pays, or is paid, is its First Bid Price, for changes in energy output which occur as a result of delivering frequency response.

Currently the Response Energy is priced at a reference price which is the average of the time weighted average System Buy Price and time weighted average System Sell Price for the preceding calendar month.

By paying, or charging the relevant BMU a price equivalent to its First Bid Price, the generator concerned is able to more closely reflect its actual costs.

Impact on STC:

None Identified

Current status and progress

CAP107 was presented to the December Panel Meeting. The Panel determined that CAP107 should proceed to consideration by the BSSG acting as a Working Group for a period of 3 months, presenting their Final Working Group Report to the March Panel Meeting. The Authority agreed to a month extension at the CUSC Panel meeting 24 February 2006. The Working Group will now report to April Panel Meeting. At the CUSC Panel Meeting on the 31 March 2006 the Authority agreed to an extension due to the proposed cancellation of the April meeting. **The Working Group will now report to the May Panel Meeting.**

CAP106 Amendment to Revise Paragraph 4.5.1 (Indexation – Application) of the CUSC

Proposer National Grid

Submitted 20/10/05

**Submitted
Priority** Normal

Amendment Description

CAP106 seeks to amend an inconsistency in the text of 4.5.1 (Indexation – Application) which has arisen from an interaction between the implemented legal text of CAP047 and CAP076, the precise mechanics of the implementation of these two modifications mean that 4.5.1 no longer reads clearly.

Impact on STC:

None Identified

Current status and progress

CAP106 was presented to the October Panel meeting. The Panel decided that CAP106 should proceed to industry consultation. The consultation report was circulated on 31st October, with a closing date of 15th November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 25th November 2006. The Authority approved the Original Amendment on 10 February 2006 for implementation on 24th February 2006.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP104

Amendments to System to Generator Intertrip related terms Concurrently defined in the Grid Code and the CUSC

Proposer National Grid

Submitted 17/08/05

**Submitted
Priority** Normal

Amendment Description

This amendment proposal seeks to remove the definitions of system to generator Inter-trip categories from the CUSC and replace them with a reference to the Grid Code where they are concurrently defined in an identical manner.

Impact on STC:
None Identified

Current status and progress

CAP104 was presented to the August Panel meeting. The Panel decided that CAP104 should proceed to industry consultation. The consultation report was issued on 30th August 2005 with a closing date of 30th September 2005. The Final Amendment Report was submitted to the Authority for determination on 14th October 2005. The Authority approved the Original Amendment on 1 February 2006 for implementation on 15th February 2006.

CAP103

Flexibility of Working Group Internal Procedures

Proposer National Grid

Submitted 21/07/05

**Submitted
Priority** Normal

Amendment Description

This proposal would provide increased flexibility to the Working Group process by providing the Working Group with the ability to unilaterally alter membership for the period up to the next Amendments Panel, following which the Amendments Panel could either uphold or overturn the Working Group changes of membership.

Furthermore, it proposes that Working Group members are able to agree a three day timetable for the approval of Working Group Reports by the Working Group if all Working Group Members agree to this. However, in the event of no agreement, the standard five day timetable for approval would remain.

Impact on STC:
None Identified

Current status and progress

CAP103 was presented to the July Panel. The Panel determined that CAP103 should be considered by the Governance Standing Group, acting as a Working Group and report back to the September Panel. The Panel at the September meeting determined that CAP103 should proceed to wider industry consultation. The consultation report was circulated on 30th September, with a closing date of 14th October 2005. A second period of consultation commenced on 20th October until 3rd November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 16th November 2005. The Authority approved the Consultation Alternative Amendment on 22nd December for implementation on 10th January 2006.

Revision of CUSC Amendment Provisions to Ensure that Amendment Reports Include a Collective CUSC Panel Recommendation

CAP100/101

Removal of the Amendments Panel Chairman's Casting Vote – In Context of Amendments Panel Recommendations

Proposer National Grid

Submitted 21/07/05

Submitted Priority Normal

CAP100 has been amalgamated with CAP101

Amendment Description

CUSC Amendment Reports currently contain a Section for Panel Members views to be recorded. However, there is no opportunity for the Amendments Panel to make, and have recorded within the final Amendment Report, a collective recommendation to the Authority as to whether an Amendment proposal (and any Alternative Amendments) in the view of the Amendments Panel, better facilitate the Applicable Code Objectives.

Following discussions with the Governance Standing Group, NGC propose that when an Amendment Report has reached the point at which it would currently go to the Authority (i.e. after the Amendments Report has been circulated to the Industry in draft form) it should instead be tabled at the next Amendments Panel.

The Amendments Panel would be required to vote as to whether they believed that the Amendment Proposal, and any Alternatives, better facilitated the Applicable Code Objectives. This vote would be recorded in the Panel Members Views Section. (Clearly Panel Members could abstain should they so wish.) In addition to the vote, any comments that Panel Members wished to have recorded, in relation to their view as to whether a proposal better facilitated the Applicable Code Objectives would also be noted within this section. Following the Amendments Panel Meeting, the Amendment Report, including the Panel Vote and views would be circulated to the Panel for 5 business days, to allow Panel Members a chance to check the factual accuracy of the way in which their views had been recorded. The Amendment Report would at that point be sent to the Authority.

Impact on STC:
None Identified

Current status and progress

CAP100 was presented to the July Panel. The Panel determined that CAP100 should be considered by the Governance Standing Group, acting as a Working Group and present their Final Report to the September Panel. At the August Panel, it was agreed to amalgamate CAP100 with CAP101. The Panel at the September meeting determined that CAP100/101 should proceed to wider industry consultation. The consultation report was circulated on 30th September, with a closing date of 14th October 2005. A further period of consultation commenced 20th October 2005 until 3rd November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 17th November 2005. The Authority approved the Original Amendment on 22nd December for implementation on 10th January 2006.

CAP097 Revision to the Contractual Requirements for Small and Medium Embedded Power Stations under 6.5

Proposer National Grid

Submitted 21/07/05

**Submitted
Priority** Normal

Amendment Description

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.

Impact on STC:

Consequential knock-on effects identified within STC, and National Grid has proposed STC Amendment Proposal CA016 and CA017 to address these issues. STC Working Group established to discuss CA016 and CA017. SPTL has proposed an Alternative Amendment Proposal CA019 as an Alternative to CA017. At the March Committee meeting it was decided a Teleconference will be held to signoff the Proposed Amendment Report. A teleconference has been arranged for 3rd April 2006. Teleconference took place on 3rd April 2006, the Committee signed off the report. The Proposed Amendment Report was submitted for Industry Consultation on 4th April 2006. Consultation closed on 20th April 2006, submitted to Authority 27th April 2006.

Current status and progress

CAP097 was presented to the July Panel. The Panel determined that CAP097 should be considered by a Working Group and present their Final Report to the October Panel. The Working Group presented their Final Report to the Panel on 28th October. The Panel determined that CAP097 should proceed to wider industry consultation. The Consultation commenced on 10th November 2005, until the 12th December 2005. Consultation Alternatives were proposed during the Original Consultation period. The Consultation Alternative Consultation Document was circulated on 23rd December until 11th January 2006. The Draft Amendment Report was circulated on 23 January 2006. The Panel voted on 24 February 2006 for CAA1 as being the best option with a 10 day implementation. The Final Amendment Report was submitted to the Authority on 15th March 2006 for their consideration and determination.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP094

Limited Duration Transmission Entry Capacity

Proposer First Hydro

Submitted 15/06/05

**Submitted
Priority** Normal

Amendment Description

CAP094 seeks to introduce a new access product – Limited Duration Transmission Entry Capacity (LDTEC). The current access products do not embrace circumstances where TEC is available for the remainder of the financial year but NGC is not able to grant enduring TEC because of the time taken to analyse a proposal or future rights not being available. The new product would also extend to circumstances where the generator only requires TEC for the remainder of the financial year and does not require enduring TEC rights.

Impact on STC:
None Identified

Current status and progress

The Panel agreed that CAP094 should be considered by a Working Group reporting back to the August Panel. The Panel agreed to an extension of the working group consideration of one month and that the Working Group Report should be presented to the September Panel meeting. The Panel determined at the September meeting that CAP094 should proceed to wider industry consultation. The consultation report was circulated on 4th October, with a closing date of 4th November 2005. A second period of consultation was undertaken commencing on 14th November until 28th November 2005. The Draft Amendment Report was circulated on 5th December 2005. The Final Amendment Report was submitted to the Authority on 13th December 2005. The Authority approved the WGAA 5 Amendment on 22 February 2006 for implementation on 1 April 2006.

CAP093

Enabling the Flow of Electricity From Distribution Systems Into the Transmission System at Grid Supply Points

Proposer Central Networks

Submitted 15/06/05

**Submitted
Priority** Normal

Amendment Description

CAP093 aims to recognise the flow of electricity from distribution systems into the transmission system at Grid Supply Points. This will be achieved by altering the CUSC definitions of Grid Supply Point and Distribution System, and by making any necessary consequential changes.

Impact on STC:
The definition of Distribution System changes if either the original or Working Alternative Amendment Proposal is approved. Currently the STC definition refers to the CUSC as at the Code Effective Date. If the CUSC was amendment with the new definition, the STC would still refer to the previous definition of the term. The STC definition may have to be updated to reflect CUSC changes.

Current status and progress

The Panel agreed that CAP093 should be considered by a Working Group reporting back to the September Panel. The Panel at the September meeting determined that CAP093 should proceed to wider industry consultation. The consultation report was circulated on 29th September, with a closing date of 31st October 2005. A consultation alternative was proposed and a second period of consultation was due to commence by 7th November 2005. The Final Amendment Report was submitted to the Authority for their consideration and determination on 5/12/05. Ofgem rejected original and alternative amendments on 19 January 2006.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP092 Consistent Generation Use of System Charge Liability Provisions for Transmission Access Products.

Proposer e.on

Submitted 15/06/05

**Submitted
Priority** Normal

Amendment Description

CAP092 seeks to cap the charges payable for STTEC and/or TEC in any one financial year to that which would have been paid for TEC alone. The proposer argues that paying more for tranches of STTEC compared to what would have been paid in annual TEC charges is an unintended consequence of the introduction of the product. The proposer argues that this gives rise to discrimination and thus adverse effects on competition.

Impact on STC:

None Identified

Current status and progress

The Panel agreed that CAP092 should be considered by a Working Group reporting back to the August Panel. At the August Panel Meeting, it was agreed that the Working Group Report should be presented to the September Panel meeting. The Panel at the September meeting determined that CAP092 should proceed to wider industry consultation. The consultation report was circulated on 27th September, with a closing date of 28th October 2005. Draft Amendment Report was circulated on 2nd November 2005. The Final Amendment Report was submitted to the Authority on 11th November 2005. The Authority rejected the #original and all alternative amendments on 13 February 2006.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP091 Establishment and maintenance of an Unsecured Credit Allowance for Rated and Unrated Companies and the alignment of the Value at Risk calculation with current best practice.

Proposer BizzEnergy

Submitted 20/05/05

Submitted Normal
Priority

Amendment Description

This amendment seeks to Modify the CUSC to incorporate provisions for unrated companies to establish an appropriate line of credit in accordance with the CUSC Objectives taking account of the Best Practice Guidelines for Network Operator Credit Cover Conclusions Document published in February 2005 by OFGEM.

For example it is anticipated that at a high level the modification should include amongst other things:

1. Establish an unsecured credit allowance for unrated counterparties by using the payment record.
2. Where a company rated in the lower bands or an unrated counterparty seeks to increase its unsecured credit allowance it can do so by submitting to independent assessment of its creditworthiness.
3. Recalculation of the Demand Reconciliation Credit Cover amount of 10%.

Impact on STC:

None Identified

Current status and progress

CAP091 was presented to the May 2005 Panel. The Panel determined that CAP091 should be considered by a Working Group reporting back to the August 2005 Panel. At the July Panel, the Working Group made representation that CAP091 should be merged with the previously merged CAP089/090. The Working Group presented their combined Final Report to the August Panel. The Panel determined that CAP0089/09091 should proceed to wider industry consultation. The consultation report was circulated on 2nd September, with a closing date of 3rd October 2005. A high volume of Consultation Alternatives were proposed, a second period of consultation commenced on 10th October, concluding on 24th October 05. The Draft Amendment Report was circulated 31st October. The Final Amendment Report was submitted to the Authority 8th November 2005. The Authority approved Consultation Alternative Amendment 12 on 20th December for implementation on 1st February 2006.

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP090

Credit Limits for rated companies

Proposer National Grid

Submitted 20/05/05

**Submitted
Priority** Normal

Amendment Description

The amendment seeks to address and codify Ofgem's recommendations within its Network Operator Best Practice guidelines.

This amendment would introduce the rules of establishing individual user limits based on a percentage of the maximum credit limit.

CAP:089 proposed that the CUSC should set a maximum credit limit based on 2% of Regulatory Asset Value of an individual Network Operator. This proposal is that individual counterparty credit limits and those that use Parent Company Guarantees or aggregates of both, should be set using credit ratings applied under the 'Basel 2' rules for determining bank capital adequacy. The implication is that the maximum credit allowances of 100 percent of maximum credit limit for AAA/AA and 40 percent for A. For the third band, (BBB) NGC proposes, consistent with Ofgem's guidelines, that the above allowance be further subdivided, such that the following are applied to rated entities:

Impact on STC:

None Identified

Current status and progress

CAP090 was presented to the May 2005 Panel. The Panel determined that CAP090 should be considered by a Working Group reporting back to the August 2005 Panel. At the July Panel the Working Group made representation that CAP's089 and 090 should be merged. The Panel agreed that the Working Group should present a combined Final Report to the August Panel. Approved - See CAP091

CUSC AMENDMENT REGISTER – AS AT 2 May 2006

CAP089

Maximum Unsecured Credit Limit

Proposer National Grid

Submitted 20/05/04

**Submitted
Priority** Normal

Amendment Description

The amendment seeks to address and codify Ofgem's recommendations within its Network Operator Best Practice guidelines.

It is proposed that that Network Operators should set a maximum credit limit based on 2% of Regulatory Asset Value. Currently there is no unsecured credit limit within CUSC if a user has NGC credit rating (A- or A3 respectively as set by Standard and Poor's or Moody's for connection charges, BBB- or Baa3 respectively as set by Standard and Poor's or Moody's for Use of System charges). CUSC will require amending in order to implement the criteria for setting the maximum credit limit.

Impact on STC:

None Identified

Current status and progress

CAP089 was presented to the May 2005 Panel. The Panel determined that CAP089 should be considered by a Working Group reporting back to the August 2005 Panel. Approved - See CAP091

P 199		Quantification of Demand Control in the BSC		
Proposer	Mark Duffield	Modification Description	Current progress	Current Status
Organisation	NATIONAL GRID	This Modification Proposal is in relation to the activity of Demand Control as instructed by the System Operator, under OC.6 (c), (d) & (e) of the Grid Code. This Modification Proposal has been raised to address the distortion of the allocation of MW to participants energy accounts, and the size and direction of NIV, in the event of a Demand Control instruction by the SO.	On 09 February 2006, the BSC Panel submitted P199 to a 3-month Assessment Procedure, with an Assessment Report to be presented to the Panel on 11 May 2006.	Assessment Procedure
Raised	30/01/2006			Status update
Process	NORMAL			13-Feb-06
Authority Report Date	June 2006			
Modification Group	PSMG			

P 198		Introduction of a Zonal Transmission Losses scheme		
Proposer	Terry Ballard	Modification Description	Current progress	Current Status
Organisation	RWE NPOWER	It is proposed that a zonal transmission losses scheme is introduced to the GB BSC. This scheme would be based on the principles established under Modification P82. A single Transmission Loss Factor (TLF) (the "applicable TLF") would be derived ex ante for application to generation and demand BMUs within a zone (the "applicable zone") for a relevant period (the "applicable period"). The proposed scheme would retain the current process for allocating transmission losses to generation and demand (45% of transmission losses to production accounts and 55% to consumption accounts).	On 09 March 2006, the BSC Panel noted the P198 Interim Report and the recommendations of the P198 Modification Group; and agreed an extension to the Assessment Procedure timetable of two months, such that an Assessment Report will be presented to the Panel at its meeting of 13 July 2006.	Assessment Procedure
Raised	16/12/2005			Status update
Process	NORMAL			27-Jan-06
Authority Report Date	August 2006			
Modification Group	P82 TLFMG			

P 197**SVA Qualification Processes Review**

Proposer	Glenda Simons	Modification Description	Current progress	Current Status
Organisation	LAING ENERGY	This Modification proposes changes to the SVA Qualification Processes (Entry Processes, Certification and Accreditation) as recommended by the SVA Qualification Review Group and the Supplier Volume Allocation Group following the review of SVA Qualification Processes.	On 09 February 2006, the BSC Panel agreed to extend the P197 Assessment Procedure by 1 month; and agreed that an Assessment Report should be completed and submitted to the Panel for consideration at its meeting of 11 May 2006.	Assessment Procedure
Raised	12/12/2005			Status update
Process	NORMAL			27-Jan-06
Authority Report Date	June 2006			
Modification Group	VASMG			

P 196**Treatment of Long Term Vacant Sites in Settlements**

Proposer	Afroze Miah	Modification Description	Current progress	Current Status
Organisation	E.ON UK	This Modification is proposing a solution to allow for the equitable treatment of long term vacant sites within settlements. This Modification has been raised following significant work undertaken as part of Issue 14. The Issue 14 Group reviewed the current treatment of long term vacant sites within the BSC and their impact on Settlements and associated areas. The Group concluded that this issue is materially significant and the majority believed that a Modification to the BSC should be raised to resolve the problems associated with such sites. This Modification therefore includes some of the key outputs from that group as support.	On 09 March 2006 the BSC Panel determined that P196 should be submitted to the Report Phase with a provisional recommendation that the Proposed Modification should not be made. A provisional Implementation Date for Proposed Modification P196 of 22 February 2007 if an Authority decision is received on or before 21 August 2006, or 28 June 2007 if the Authority decision is received after 21 August 2006 but on or before 19 December 2006.	Draft Report
Raised	25/11/2005			Status update
Process	NORMAL			13-Mar-06
Authority Report Date	May 2006			
Modification Group	VASMG			

Table 1 – Grid Code Consultation Papers - Current Status Report – 9th May 2006

Paper Ref.	Grid Code Change Reference	Current Status	Data Provided	Notes
I/05	Grid Code Balancing Code Changes associated with Embedded Exemptable Large Power Stations	Consultation Closed	27/01/2006	Report submitted to the Authority in April 2006.
A/06	Changes to Appendix 5 of the Connection Conditions (Technical Requirements for Low Frequency Relays)	Consultation – Closing Date 10 th May 2006		Consultation period to close on 10 th May 2006
B/06	Regional Differences	Consultation – Closing Date 24 th May 2006		Consultation period to close on 24 th May 2006