



CONSULTATION DOCUMENT

CUSC Amendment Proposal CAP120 Connection Application Form– Alternative Connection Offers in England & Wales and Scotland

*The purpose of this document is to
consult on Amendment Proposal CAP120
with CUSC Parties and other interested
Industry members*

Amendment Ref	CAP120
Issue	1.0
Date of Issue	3 rd April 2006
Prepared by	National Grid

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

Version	Date	Author	Change Reference
0.1	31/03/2006	National Grid	Initial Draft for internal comment
1.0	03/04/2006	National Grid	Formal version for release

b Document Location

National Grid website:

www.nationalgrid.com/uk/electricity/codes/

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 AND VIEWS

Executive Summary

- 1.1 CAP120 Connection Application Form – Alternative Connection Offers in England & Wales and Scotland was proposed by National Grid and submitted to the Amendments Panel on 31st March 2006. CAP120 proposes to amend the CUSC Application Form for Bilateral Connection Agreements (BCA), to include additional questions to ascertain whether an Applicant has or intends to make an alternative application for connection.
- 1.2 An alternative application is where the Applicant applies for multiple connections in both England and Wales and Scotland but only intends to connect at the most beneficial connection for their project. Licence Special Condition M places a restriction on the disclosure of certain information regarding alternative applications within National Grid.
- 1.3 CAP120 will therefore create a formal process which enables National Grid to ensure disclosure of information internally is managed in accordance with National Grid Licence Special Condition M.

National Grid's View

- 1.4 National Grid, as the proposer of CAP120 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC Objective (a).

Amendment Panels View

- 1.5 The Amendments Panel agreed that CAP120 should proceed to wider consultation by National Grid, for a period of 3 weeks.

1.0 PURPOSE AND INTRODUCTION

- 1.1 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.
- 1.2 Further to the submission of Amendment Proposal CAP120, this document seeks views from industry members relating to the Amendment Proposal.
- 2.3 CAP120 was proposed by National Grid and submitted to the CUSC Amendments Panel for consideration at their meeting on 31st March 2006. The Amendments Panel determined that CAP120 was appropriate to proceed to wider industry consultation by National Grid.
- 2.4 This consultation document outlines the nature of the CUSC changes that are proposed. 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.
- 2.5 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 www.nationalgrid.com/uk/Electricity/Codes/ and the Amendment Proposal

form. This document invites views upon CAP120 and the **closing date is 25th April 2006 for responses** including any Consultation Alternatives.

- 2.6 CUSC Parties are reminded that any Consultation Alternatives must be submitted by the above closing date and must be in writing and contain sufficient detail in accordance with the requirements within CUSC 8.15.2

3.0 PROPOSED AMENDMENT

- 3.1 CAP120 proposes to amend the CUSC Application Form for Bilateral Connection Agreements, (CUSC Exhibit B) to include questions to ascertain whether an Applicant has or intends to make an alternative application for connection in England & Wales or Scotland (or vice versa). Therefore providing a formal means for obtaining information which will enable National Grid to ensure any disclosure of information internally is managed in accordance with Licence Special Condition M.
- 3.2 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 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.
- 3.3 National Grid under Licence Condition C8 is required to offer terms of Connection to the GB Transmission System and co-operate and co-ordinate with the Scottish TO's in accordance with the STC when an application is within Scotland.
- 3.4 Special Condition M places a restriction on the use of certain information by National Grid within National Grid. National Grid is required to prevent information concerning alternative applications from being disclosed to employees that are responsible for or are involved in the preparation of such "competing" offers to ensure that National Grid does not share commercially sensitive information internally which could potentially be used by National Grid TO business to obtain some form of advantage over the Scottish TO. However, 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.

4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES

Proposed Amendment

- 4.1 CAP120 would better facilitate CUSC Objective;
- (a) *the efficient discharge by the Licensee of the obligations imposed upon it by the act and the Transmission Licence*
- 4.2 By providing National Grid with the ability to determine whether or not it would be necessary to invoke the procedure required to prevent the disclosure of confidential information and to ensure compliance with Licence Special Condition M.

5.0 PROPOSED IMPLEMENTATION

- 5.1 National Grid proposes CAP120 should be Implemented 10 business days after an Authority decision, as it would be beneficial for the formal process to be put into operation promptly to ensure compliance with Special Condition M In accordance with 8.19.3(b) views are invited on this proposed implementation date.

6.0 IMPACT ON THE CUSC

- 6.1 CAP120 requires amendments to CUSC Exhibit B. The text required to give effect to the Proposal is contained in Annex 1 of this document.

7.0 IMPACT ON INDUSTRY DOCUMENTS

- 7.1 CAP120 has no impact upon Core Industry Documents or Industry Computer Systems/Processes as it is a straightforward Amendment to provide a formal means for National Grid to identify alternative applications between England & Wales and Scotland.

8.0 INITIAL VIEW OF THE AMENDMENTS PANEL

- 8.1 The Amendments Panel agreed that CAP120 should proceed to wider consultation by National Grid, for a period of 3 weeks subject to a minor change to the proposed legal text, which replaces the word "one" on the 4th line of proposed paragraph 14 with location or locations.

9.0 INITIAL VIEW OF NATIONAL GRID

- 9.1 National Grid believes CAP120 would ensure a formal process is created to obtain and identify information regarding alternative applications from Applicants. Therefore providing National Grid with the ability to determine whether or not it would be necessary to invoke National Grid's procedure required to prevent disclosure and ensure compliance with Licence Special Condition M.
- 9.2 National Grid believes for the reasons stated above this would better achieve CUSC Applicable Objective (a).

10.0 VIEWS INVITED

- 10.1 National Grid is seeking the views of interested parties in relation to the issues raised by Amendment Proposal CAP120 and issues arising from the proposed timescale for implementation.
- 10.2 Please send your responses to this consultation to National Grid by no later than close of business on **25th April 2006.**
- 10.3 Please address all comments to the following e-mail address:

Beverley.viney@uk.ngrid.com

Or alternatively, comments may be addressed to:

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

ANNEX 1 - PROPOSED LEGAL TEXT TO MODIFY THE CUSC

For CUSC exhibit B insert the following as paragraph 14 section entitled “PLEASE STUDY THE FOLLOWING NOTES BEFORE COMPLETING AND SIGNING THE APPLICATION FORM” and renumber the following paragraphs accordingly;

“14. Under Special Condition M of the Transmission Licence **The Company** has additional requirements in respect of information on offers where an **Applicant** has applied for connections in Scotland as well as in England and Wales and the **Applicant** doesn’t intend to connect at all locations, but intends to choose which location or locations to connect at on the basis of the offers it receives. Question 6 in section A is intended to assist **The Company** in early identification of this situation arising”

For CUSC Exhibit B, insert the following wording at the end of Section A (Details of Applicant);

6 If this is an application for connection to the **GB Transmission System** in England and Wales please complete 6a. If this is an application for connection to the **GB Transmission System** in Scotland please complete 6b.

6a. Have you made any applications for connection to the **GB Transmission System** in Scotland which are being processed **prior to offer** by The Company or where an Offer has been made that Offer has not yet been accepted by you **but remains open for acceptance?**

If so, are such applications intended as alternatives to this one i.e. you intend to choose which of this or those other applications to proceed with on the basis of the offer made.

Yes
list the applications .

not sure
(**The Company** will contact you to clarify)

6b. Have you made any applications for connection to the **GB Transmission System** in England and Wales which are being processed **prior to offer** by The Company or where an Offer has been made that Offer has not yet been accepted by you **but remains open for acceptance?**

If so, are such applications intended as alternatives to this one i.e. you intend to choose which of this or those other applications to proceed with on the basis of the offer made.

Yes
list the applications .

not sure
(**The Company** will contact you to clarify)

ANNEX 2 – AMENDMENT PROPOSAL FORM

CUSC Amendment Proposal Form	CAP:120
<p>Title of Amendment Proposal: Connection Application Form– Alternative Connection Offers in England & Wales and Scotland</p>	
<p>Description of the Proposed Amendment (<i>mandatory by proposer</i>): It is proposed to amend 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.</p> <p>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.</p> <p>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.</p>	
<p>Description of Issue or Defect that Proposed Amendment seeks to Address (<i>mandatory by proposer</i>):</p> <p>Grid under Licence Condition C8 is required to offer terms of Connection to the GB transmission system and co-operate and co-ordinate with the Scottish TO's in accordance with the STC when an application is within Scotland.</p> <p>Special Condition M places a restriction on the use of certain information by National Grid within National Grid. National Grid is required to prevent information concerning alternative applications from being disclosed to employees that are responsible for or are involved in the preparation of such "competing" offers to ensure that National Grid does not share commercially sensitive information internally which could potentially be used by National Grid TO business to obtain some form of advantage over the Scottish TO.</p> <p>r, at present there is no formal means for National Grid to identify within a Bilateral Connection Agreement (BCA) Application Form where an Applicant is making alternative application between England & Wales and Scotland.</p> <p>It is therefore proposed that the CUSC Application Form for a BCA within Exhibit B is amended to request information about alternative applications from the Applicant.</p>	
<p>Impact on the CUSC (<i>this should be given where possible</i>):</p> <p>CUSC Exhibit B</p> <p>The proposed Legal text to modify the CUSC is detailed in Annex 1 by inserting the coloured underlined text.</p>	
<p>Impact on Core Industry Documentation (<i>this should be given where possible</i>):</p> <p>None identified</p>	
<p>Impact on Computer Systems and Processes used by CUSC Parties (<i>this should be given where possible</i>):</p> <p>Limited impact; if the amendment is approved, Applicants applying for Connection within England & Wales or Scotland will be required to provide additional information in relation to alternative applications.</p>	

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 amending the CUSC Application Form to ensure that National Grid can ascertain whether an application is an alternative applications would better achieve applicable CUSC objective(a) – (**The efficient discharge by the licensee of the obligations imposed upon it under the Act and by the Transmission Licence**) by providing National Grid with the ability to determine whether or not it would be necessary to invoke the procedure required to prevent the disclosure of confidential information and to ensure compliance with Licence Special Condition M.

Details of Proposer: Organisation's Name:	National Grid
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:	Emma Carr National Grid 01926 655843 Emma.j.carr@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Paul Mullen National Grid 01926 656329 Paul.mullen@uk.ngrid.com
Attachments (Yes/No): If Yes, Title and No. of pages of each Attachment:	Yes – Annex 1

Notes:

- 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.
- 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

(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.