

Amendment proposal:	<b>Connection and Use of System Code (CUSC) CAP130: CUSC Connection Application Form – Fixed &amp; Variable Fees (CAP130)</b>		
Decision:	<b>The Authority<sup>1</sup> directs that this proposal be made<sup>2</sup></b>		
Target audience:	<b>National Grid Electricity Transmission PLC (NGET), Parties to the CUSC and other interested parties</b>		
Date of publication:	<b>20 December 2006</b>	Implementation Date:	<b>10 business days from the decision date</b>

## Background to the amendment proposal

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.

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 in the CUSC exhibits B, D, I and Q do not provide applicants with the ability to indicate which fee they wish to use in their application. Consequently, this results in delays in the application process as National Grid has to clarify which fee is to be used.

## The amendment proposal

CAP130 proposes to amend the application forms within CUSC Exhibits B, D, I and Q to provide applicants with details regarding their choice in fee and a tick box to indicate the fee they wish to be applied.

National Grid considers that the Proposal will better facilitate achievement of Applicable CUSC Objective (a)<sup>3</sup>, by removing inefficiencies and delays within the application process, ensuring all new applicants indicate their preferred method of application fee when applying to National Grid.

## CUSC Panel<sup>4</sup> recommendation

The CUSC Amendments Panel Recommendation Vote was conducted at the Panel Meeting on 24 November 2006. The panel unanimously recommended that CAP130 would better facilitate achievement of Applicable CUSC Objectives (a) and (b) with an implementation date of 10 business days after an Authority decision.

## The Authority's decision

<sup>1</sup> The terms 'the Authority', 'Ofgem' and 'we' are used interchangeably in this document. Ofgem is the Office of the Gas and Electricity Markets Authority.

<sup>2</sup> This document is notice of the reasons for this decision as required by section 49A of the Electricity Act 1989.

<sup>3</sup> As set out in Standard Condition C10(1) of NGET's Transmission Licence, see:

[http://62.173.69.60/document\\_fetch.php?documentid=5327](http://62.173.69.60/document_fetch.php?documentid=5327).

<sup>4</sup> The CUSC Panel is established and constituted from time to time pursuant to and in accordance with the section 8 of the CUSC.

The Authority has considered the issues raised by the amendment proposal and the final Amendment Report (AR) dated 6 December 2006. The Authority has considered and taken into account the responses to NGET's consultation on the amendment proposal which are attached to the AR<sup>5</sup>. The Authority has concluded that:

1. Implementation of the amendment proposal will better facilitate the achievement of the applicable objectives of the CUSC<sup>6</sup>; and
2. directing that the amendment be made is consistent with the Authority's principal objective and statutory duties<sup>7</sup>.

### **Reasons for the Authority's decision**

Allowing applicants to make clear their chosen fee method should lead to improved efficiency in the process followed by NGET when considering applications. In avoiding the need for ongoing correspondence between users and NGET, Ofgem considers that CAP130 will allow NGET to more efficiently discharge its obligations under its Licence, better facilitating achievement of Applicable CUSC Objective (a).

### **Decision notice**

**In accordance with Standard Condition C10 of NGET's Transmission Licence, the Authority, hereby directs that amendment proposal CAP130: CUSC Connection Application Form – Fixed & Variable Fees be made.**



**Robert Hull**  
Director, Transmission

**Signed on behalf of the Authority and authorised for that purpose.**

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<sup>5</sup> CUSC amendment proposals, amendment reports and representations can be viewed on NGET's website at <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/amendments/>

<sup>6</sup> As set out in Standard Condition C10(1) of NGET's Transmission Licence, see: [http://62.173.69.60/document\\_fetch.php?documentid=5327](http://62.173.69.60/document_fetch.php?documentid=5327)

<sup>7</sup>The Authority's statutory duties are wider than matters which the Panel must take into consideration and are detailed mainly in the Electricity Act 1989.