

Stage 04: Code Administrator Consultation

Connection and Use of System Code
(CUSC)

CMP217 Clarification of the CUSC 'Interruption Payment' and 'Interruption Period' definitions

What stage is this
document at?

01	Initial Written Assessment
02	Workgroup Consultation
03	Workgroup Report
04	Code Administrator Consultation
05	Draft CUSC Modification Report
06	Final CUSC Modification Report

This modification proposes clarifying the 'Interruption Payment' and 'Interruption Period' definitions which are set out in Section 11 of the CUSC in order to allow the calculations set out by the legal text to be more easily derived. The CUSC Panel has agreed to progress this modification as a self-governance and straight to consultation modification.

Published on: 31 January 2013
Length of Consultation: 20 Working Days
Responses by: 28 February 2013



National Grid opinion:

CMP217 should be implemented as it better facilitates
Applicable CUSC Objective (b)



High Impact:

None identified



Medium Impact:

None identified



Low Impact:

CUSC Parties, BSC Parties, Transmission Company

Contents

1	Summary	3
2	Why Change?.....	4
3	Solution	5
4	Impacts	11
5	Proposed Implementation.....	12
6	The Case for Change.....	12
7	How to Respond	13
	Annex 1 – Proposed legal text (not changed marked).....	14
	Annex 2 – Proposed legal text (changed marked).....	18
	Annex 3 – Modification Proposal.....	23



Any Questions?

Contact:

Emma Clark

Code Administrator



emma.clark2@nationalgrid.com



01926 655223

Proposer:

Tariq Hakeem

National Grid Electricity
Transmission Plc

About this document

The purpose of this CMP217 document is to consult on the CUSC Modification Proposal set out in this document, with CUSC Parties and other interested industry members.

Representations received in response to this consultation document will be included in National Grid's CUSC Modification Report that will be furnished to the Panel for their determination.

Document Control

Version	Date	Author	Change Reference
1.0	31 January 2013	Code Administrator	Version for Industry Comment

1 Summary

- 1.1 This document describes the CMP217 Modification Proposal and seeks views from industry members relating to the proposal.
- 1.2 CMP217 seeks to clarify the Interruption Payment and Interruption Period definitions as set out in Section 11 of the CUSC, in order to allow the calculations set out by the legal text to be more easily derived.
- 1.3 CMP217 was raised by National Grid Electricity plc (NGET) and submitted to the CUSC Modifications Panel for their consideration on 25 January 2013. The proposer considered that the modification is not changing the intent of the CUSC legal text but simply introducing greater clarity into the CUSC definitions. For this reason, and to minimise industry resource, a straight to consultation route was preferred under the CUSC governance arrangements. The proposer also considered that the modification should follow the CUSC self-governance route for determination.
- 1.4 The Panel determined that the proposal met the self-governance procedures. The Panel further determined that the proposal should be sent to the Code Administrator Consultation phase and report back to the CUSC Modification Panel in March 2013. As the consultation is being progressed with a straight to consultation route, and no workgroup phase, due to the nature of the proposal, the Panel agreed an extended Code Administrator Consultation period of 20 working days rather than the typical 15 working days.
- 1.5 This Code Administrator Consultation has been prepared in accordance with the Terms of the CUSC. An electronic copy can be found on the National Grid Website, www.nationalgrid.com/uk/Electricity/Codes/, along with the CUSC Modification Proposal Form.

National Grid's View

- 1.6 National Grid believes that CMP217 better facilitates the Applicable CUSC Objectives than the existing arrangements. Clarifying the definitions and making the calculations easier to follow, will improve efficiency it will also improve the process introduced by CMP212.

2 Why Change?

- 2.1 The methodologies for calculating the compensation payments for parties who are eligible for a claim, as a result of an interruption to their generating units, are detailed under the 'Interruption Payment' definition. The 'Interruption Payment' definition under Section 11 of the CUSC specifies the payment for;
- a) A Relevant Interruption arising as a result of a Planned Outage;
 - b) A Relevant Interruption arising as a result of an Emergency Deenergisation Instruction; and
 - c) All other Relevant Interruptions.
- 2.2 The 'Interruption Payment' and closely linked 'Interruption Period' definitions were introduced in 2004, following the approval of CAP48¹ by the Authority. The 'Interruption Payment' definition was further amended in 2008 following the approval of CAP144² by the Authority. More recently, CMP211³ has made changes to the 'Interruption Payment' definition. CMP211 was progressed as a self-governance modification; at the 14 December 2012 meeting, the CUSC Panel voted to approve the modification with an implementation date of 24 January 2013. At the same meeting the CUSC Panel also voted to approve modification CMP212⁴ for implementation on 24 January 2013. CMP212 sets out a more robust process in relation to loss of transmission access claims, introducing time limits for users to submit claims and for National Grid to investigate claims as well as a minimum claims threshold value (along with the ability of the CUSC Panel to change the threshold (if appropriate) within a pre-defined limit).
- 2.3 The existing CUSC text, in relation to interruption payment calculations, can be difficult to follow. CMP217 proposes introducing greater clarity into the CUSC definition for 'Interruption Payment' such that it is easier for a third party who is not familiar with calculations to calculate the values involved. The modification will also clarify the 'Interruption Period' so that it is clearer as to what the period of payment is.
- 2.4 The modification will allow a user to more easily work out the materiality of any loss of transmission access claim and assist in the efficiency of the loss of transmission access claims process introduced under CMP212.

¹ Ofgem CAP48 Decision letter: <http://www.nationalgrid.com/NR/rdonlvres/14ACD9FA-F3EB-437E-B07C-024056ED79F8/2112/CAP048D.pdf>

² Ofgem CAP144 Decision Letter: <http://www.nationalgrid.com/NR/rdonlvres/E3F1095E-F9AA-4B3F-869F-1E324BFF35C3/26405/CAP144D.pdf>

³ CMP211 Final CUSC Modification Report: <http://www.nationalgrid.com/NR/rdonlvres/26C20494-BE39-4C92-A2C3-CF5C425F4D08/58336/CMP211FinalCUSCMODIFICATIONREPORT10.pdf>

⁴ CMP212 Final CUSC Modification Report: <http://www.nationalgrid.com/NR/rdonlvres/0774CE4E-9FF5-4BB0-BFF0-E00A3A62172A/58337/CMP212FinalModReport10.pdf>

3 Solution

- 3.1 This modification seeks to clarify the 'Interruption Payment' and 'Interruption Period' definitions contained within the CUSC. Annex One contains the proposed revised CUSC text, please note to improve readability this is not change marked. Annex Two contains the changed marked text.
- 3.2 The modification is not proposing to change the intent of the existing CUSC text but simply introduce greater clarity into the CUSC definitions.
- 3.3 The illustrative example below shows how the revised legal text will work for an example Emergency Deenergisation Instruction (EDI). Text with a grey background in the section below represents CUSC legal text contained within the revised definition of 'Interruption Payment'.

Site involved in the EDI

Site BMU	CEC (Connection Entry Capacity) of BMU (MW)
BMU 1	200
BMU 2	200
BMU 3	250
BMU 4	300
Total	950 MW

Transmission Entry Capacity of site = 800 MW

EDI Data

An EDI is notified to the site on Settlement Period 20 on 1 January 2013 and ended on Settlement Period 5 on 3 January 2013. The EDI is only issued to BMUs 1 and 2 with units 3 and 4 not impacted.

Calculations

Affected MW

Affected MW = the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**

$$\text{Affected MW}^5 = 800 \text{ (TEC)} - 250 - 300 = 250\text{MW}$$

⁵ 250MW is affected as the site can use 550MW of the site TEC through BMUs 3 and 4

First part of the calculation

In the case of an **Affected User** other than an **Interconnector Owner**

$$j = p$$

$$\sum_{j=1} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

where;

j = **Settlement Periods** from the time when the **Emergency Deenergisation Instruction** was issued by **The Company**, with 1 representing the first **Settlement Period**.

p = The duration of the **Relevant Interruption** in **Settlement Periods** for which **Gate Closure** has occurred (up to a maximum value of 3).

The EDI lasts longer than the period of Gate Closure, so p is the maximum value of 3. Table shows the initial calculations.

Table 1

Date - Settlement Period	Relative SP (j)	System Buy Price (£/MWh)	Affected MW	Affected MW * 0.5hr	Value (£)
01/01/13 – 20	1	30.60	250	125	3,825.00
01/01/13 – 21	2	32.25	250	125	4,031.25
01/01/13 – 22	3	33.09	250	125	4,136.25
				Total:	£11,992.5

Second part of the calculation

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

m = The duration of the **Relevant Interruption**, in **Settlement Periods** for which **Gate Closure** has not yet occurred (i.e. greater than 3, up to a maximum value of 48)

As the EDI lasted for longer than 3 Settlement Periods and longer than 24 hours, m is the maximum value of 48. Table 2 shows the calculations for the second part of the calculation; these use the Market Price rather than the System Price.

Table 2

Date - Settlement Period	Relative SP (j)	Market Price (£/MWh)	Affected MW	Affected MW*0.5hr	Value (£)
01/01/13 – 23	4	41.13	250	125	5,141.25
01/01/13 – 24	5	42.65	250	125	5,331.25
01/01/13 – 25	6	43.13	250	125	5,391.25
01/01/13 – 26	7	43.28	250	125	5,410.00
01/01/13 – 27	8	43.91	250	125	5,488.75
01/01/13 – 28	9	43.58	250	125	5,447.50
01/01/13 – 29	10	42.22	250	125	5,277.50
01/01/13 – 30	11	42.39	250	125	5,298.75
01/01/13 – 31	12	41.7	250	125	5,212.50
01/01/13 – 32	13	42.09	250	125	5,261.25
01/01/13 – 33	14	45.54	250	125	5,692.50
01/01/13 – 34	15	53.35	250	125	6,668.75
01/01/13 – 35	16	72.25	250	125	9,031.25
01/01/13 – 36	17	66.2	250	125	8,275.00
01/01/13 – 37	18	54.4	250	125	6,800.00
01/01/13 – 38	19	49.69	250	125	6,211.25
01/01/13 – 39	20	43.12	250	125	5,390.00
01/01/13 – 40	21	41.82	250	125	5,227.50
01/01/13 – 41	22	41.53	250	125	5,191.25
01/01/13 – 42	23	41.18	250	125	5,147.50
01/01/13 – 43	24	39.38	250	125	4,922.50
01/01/13 – 44	25	38.71	250	125	4,838.75
01/01/13 – 45	26	38.47	250	125	4,808.75
01/01/13 – 46	27	36.64	250	125	4,580.00
01/01/13 – 47	28	33.77	250	125	4,221.25
01/01/13 – 48	29	33.67	250	125	4,208.75
02/01/13 – 1	30	34.56	250	125	4,320.00
02/01/13 – 2	31	34.6	250	125	4,325.00
02/01/13 – 3	32	34.44	250	125	4,305.00
02/01/13 – 4	33	34.36	250	125	4,295.00
02/01/13 – 5	34	32.82	250	125	4,102.50
02/01/13 – 6	35	32.69	250	125	4,086.25
02/01/13 – 7	36	31.49	250	125	3,936.25
02/01/13 – 8	37	29.89	250	125	3,736.25
02/01/13 – 9	38	29.98	250	125	3,747.50
02/01/13 – 10	39	30.25	250	125	3,781.25
02/01/13 – 11	40	31.32	250	125	3,915.00
02/01/13 – 12	41	31.58	250	125	3,947.50
02/01/13 – 13	42	41.65	250	125	5,206.25
02/01/13 – 14	43	41	250	125	5,125.00
02/01/13 – 15	44	43.78	250	125	5,472.50
02/01/13 – 16	45	43.64	250	125	5,455.00
02/01/13 – 17	46	47.3	250	125	5,912.50
02/01/13 – 18	47	47.94	250	125	5,992.50
02/01/13 – 19	48	44.27	250	125	5,533.75
				Total	£231,670

As the EDI lasted 3 days the third part of the calculation is required.

Third part of the calculation

and after the first 24 hours of a Relevant Interruption a sum calculated as 1 above save that k shall be 2.

The relevant part of 1 reads:

In the case of an **Affected User** other than an **Interconnector Owner**

$i = n$

$$\sum_{i=k}^n \text{Maximum (Average daily } \pounds \text{ per MW rate}_i, \text{ Actual daily } \pounds \text{ per MW rate}_i) * \text{Affected MW}_i$$

$i = \text{calendar days}$

$k = 1$, representing the first calendar day associated with a **Relevant Interruption**.

$n = \text{number of complete or part complete calendar days of a Relevant Interruption}$

Average daily £ per MW rate = (TNUoS income derived from generators/ total system **Transmission Entry Capacity**) / 365, calculated by reference in each case to figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs to give a daily £ per MW rate

Actual daily £ per MW rate = (Annual TNUoS charge of an **Affected User** for the **Financial Year** / **Transmission Entry Capacity** for the **Connection Site**) / 365 calculated by reference to the tariff in the **Statement of Use of System Charges** for the **Financial Year** in which the **Relevant Interruption** occurs

The EDI lasts for three days so $n = 3$ and $k = 2$. The generator would receive a payment for days 2 and 3.

The total TNUoS income derived from generators for the financial year prior to 01/01/2013 was £400,000,000 with the total system Transmission Entry Capacity of 80,000 giving a £ per MW rate of:

$$400,000,000 / 80,000 = \pounds 5,000 \text{MW}$$

Giving an Average daily £ per MW of $\pounds 5,000 / 365 = \pounds 13.69 \text{MW/day}$

The BMU in question had a total annual TNUoS charge of £900,000 this equates to a MW rate of:

$$\pounds 900,000 / 800 = \pounds 1,125 \text{MW}$$

Giving an Actual daily £ per MW of $\pounds 1,125 / 365 = \pounds 3.08 \text{MW/day}$

The average £ per MW value is greater than the actual £ per MW rate paid by the site so the higher value is used:

$$k = 2 \quad \text{£}13.69 * 250\text{MW} = \text{£}3,422.5$$

$$k = 3 \quad \text{£}13.69 * 250\text{MW} = \text{£}3,422.5$$

A southern based generator may have a relatively low TNUoS £ per MW value, in comparison to the average (as in this example) and the higher value average TNUoS value would be used in the calculations. This would also be the case if the generator was located in a negative TNUoS charging zone.

Please note the values used are illustrative and do not represent actual TNUoS income or values. The total amount due, in this example EDI is shown in table 3.

Table 3

Initial 3 Settlement Periods	£11,992.5
Next 45 Settlement Periods	£231,670
Post initial 24 hours	£6,845
Total	£250,508

Please note that for the calculation for ‘all other Relevant Interruptions’ is identical to the one for an EDI (example above). In the example, to illustrate the full range of calculations, the Relevant Interruption was assumed to last for three days if it had lasted for only 3 Settlement Periods then £11,992 would have been paid.

Listed below are some common questions in relation to the calculations.

Common Questions

1) For the Interruption Payment definition under a planned outage, why is the maximum of the Average Daily £ per MW rate or Actual Daily £ per MW rate used?

This replicates the existing methodology, using the average daily £ pre MW value ensures that generators in negative TNUoS charging zones would also receive a payment if they were eligible.

2) Interconnectors are eligible to a payment under Sections 1-3 of the revised ‘Interruption Payment’ definition even though they no longer pay TNUoS?

Interconnectors are eligible under the existing methodology and the revised legal text has replicated that. For a planned outage the calculation is based on the Average Daily £ per MW rate, the Actual Daily £ per MW value (which the existing text uses) has not been included because it is no longer relevant. The CUSC Panel discussed this possible anomaly (Interconnectors receiving a payment when they no longer pay TNUoS) and considered it outside the scope of CMP217, but possibly something to be considered under a future modification.

3) In Section 2 and 3, why does $k = 2$?

The start of an outage for a planned outage will be on day 1 and hence $k = 1$. The formula in Section 1 is also used if an EDI (Section 2) or Other Relevant Interruption (Section 3) continues for longer than 24 hours. If this was the case the first 24 hours (48 Settlement Periods) would be compensated using the formula in section 2 or 3, after this period the formula in section 1 would be used and hence $k = 2$ because the interruption has run into the second day.

4) Under Sections 2 and 3 why is the Affected MW multiplied by 0.5?

The System Buy Price and Market Price are both in MWh terms, because the calculations relate to Settlement Periods (30 minutes) the affected MW is halved.

5) Under Sections 4 why can the Market Price be zero?

The Market Price can be zero if the volume of trades for that Settlement Period were below a threshold. To ensure that the calculation can be performed the last positive price is used.

5) In the definition section, why is the Average daily £ per MW rate calculated by reference to figures for the financial year prior to that in which the interruption occurs?

The financial year prior to the year in which the interruption occurs is used because the values are known and finalised. If the values for the financial year in which the interruption occurs were used there is the possibility that the actual revenue collection (because of changing generator connection dates) is different to the forecast revenue forecast made at the start of the year (which the calculations would be based on) and consequentially render calculations using the current year's calculations incorrect.

Impact on the CUSC

- 4.1 CMP217 requires amendments to the following parts of the CUSC:
 - Section 11 [Interpretation and Definitions], specifically 'Interruption Payment' and 'Interruption Period' definitions.
- 4.2 The text required to give effect to this proposal is contained in Annex 1 of this document.

Impact on Greenhouse Gas Emissions

- 4.3 The proposer has not identified any material impacts on Greenhouse gas Emissions

Impact on Core Industry Documents

- 4.4 The proposer has not identified any impacts on Core Industry Documents.

Impact on other Industry Documents

- 4.5 The proposer has not identified any impacts on other Industry Documents.

5 Proposed Implementation

- 5.1 The Code Administrator proposes that once the CUSC Panel has made their determination through the Self-governance vote, CMP217 should be implemented 10 business days after the Self-governance appeal window has closed.

6 The Case for Change

Assessment against Applicable CUSC Objectives

- 6.1 For reference, the Applicable CUSC Objectives are:
- (a) the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this licence;
 - (b) facilitating 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.
 - (c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

National Grid View

- 6.2 National Grid supports the implementation of CMP217 as it better facilitates the applicable CUSC objective (b) by improving the clarity of the CUSC text in relation to the Interruption Payment and Interruption Period definitions under Section 11, in that it will allow users, including those who may not be familiar with the calculations to more easily derive the materiality of any loss of access claims. CMP212 has introduced timeframes on users to submit claims and has introduced a minimum threshold value, users being more easily able to derive claim values will improve the efficiency of the CUSC process.

7 How to Respond

- 7.1 If you wish to make a representation on this Code Administrator Consultation, please use the response proforma which can be found under CMP217 at the following link:

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

- 7.2 Views are invited to the following questions:

- 1. Do you believe that CMP217 better facilitates the Applicable CUSC Objectives as set out in paragraph 6.1?**
- 2. Do you support the proposed implementation approach?**
- 3. Do you agree with the decision to progress CMP217 through the Self-governance route?**
- 4. Do you have any comments on the proposed legal text?**
- 5. Do you have any other comments in relation to CMP217?**

- 7.3 Views are invited upon the proposals outlined in this consultation, which should be received by 28 February 2013

Your formal responses may be emailed to:

cusc.team@nationalgrid.com

- 7.4 If you wish to submit a confidential response please note the following:

Information provided in response to this consultation will be published on National Grid's website unless the response is clearly marked "Private & Confidential", we will contact you to establish the extent of the confidentiality. A response marked "Private and Confidential" will be disclosed to the Authority in full but, unless agreed otherwise, will not be shared with the CUSC Modifications Panel or the industry and may therefore not influence the debate to the same extent as a non confidential response.

Please note an automatic confidentiality disclaimer generated by your IT System will not in itself, mean that your response is treated as if it had been marked "Private and Confidential".

Annex 1 – Proposed legal text (not changed marked)

Proposed CUSC text for Interruption Payment and Interruption Period definitions
(Section 11 of the CUSC)

“Interruption Payment”

the payment for a **Relevant Interruption** calculated as follows:

- 1) In the case of a **Relevant Interruption** arising as a result of a **Planned Outage**;

In the case of an **Affected User** other than an **Interconnector Owner**

$$i = n$$

$$\sum_{i = k} \text{Maximum (Average daily £ per MW rate}_i, \text{Actual daily £ per MW rate}_i) * \text{Affected MW}_i$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$i = n$$

$$\sum_{i = k} \text{Average daily £ per MW rate}_i * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where:

i = calendar days

$k = 1$, representing the first calendar day associated with a **Relevant Interruption**.

n = number of complete or part complete calendar days of a **Relevant Interruption**

- 2) In the case of a **Relevant Interruption** arising as a result of an **Emergency Deenergisation Instruction**:

In the case of an **Affected User** other than an **Interconnector Owner**

$$j = p$$

$$\sum_{j = 1} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$j = m$$

$$\sum_{j = 4} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$j = p$$

$$\sum_{j = 1} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where;

j = **Settlement Periods** from the time when the **Emergency Deenergisation Instruction** was issued by **The Company**, with 1 representing the first **Settlement Period**.

m = The duration of the **Relevant Interruption**, in **Settlement Periods** for which **Gate Closure** has not yet occurred (i.e. greater than 3, up to a maximum value of 48)

p = The duration of the **Relevant Interruption** in **Settlement Periods** for which **Gate Closure** has occurred (up to a maximum value of 3).

and after the first 24 hours of a Relevant Interruption a sum calculated as 1 above save that k shall be equal to 2.

3) In the case of all other Relevant Interruptions:

In the case of an **Affected User** other than an **Interconnector Owner**

$$j = p$$

$$\sum_{j=1} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an **Affected User** who is an **Interconnector Owner**

$$j = p$$

$$\sum_{j=1} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$j = m$$

$$\sum_{j=4} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where;

j = **Settlement Periods** from the start of the **Relevant Interruption**, with 1 representing the first **Settlement Period**.

m = The duration of the **Relevant Interruption**, in **Settlement Periods** for which **Gate Closure** has not yet occurred (i.e. greater than 3, up to a maximum value of 48)

p = The duration of the **Relevant Interruption** in **Settlement Periods** for which **Gate Closure** has occurred (up to a maximum value of 3).

and after the first 24 hours of a **Relevant Interruption** a sum calculated in accordance with paragraph 1 above save that k shall be equal to 2.

Provided always that an **Affected User** shall not receive payment in respect of more than one **Relevant Interruption** for the same period.

4. In the event of the relevant **Market Price** being zero then for purpose of paragraphs 2 or 3 above the **Market Price** shall be deemed to be the most recent preceding positive price.

Throughout this definition of **Interruption Payment**:

Average daily £ per MW rate = (TNUoS income derived from generators/ total system **Transmission Entry Capacity**) / 365, calculated by reference in each case to figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs to give a daily £ per MW rate;

Actual daily £ per MW rate = (Annual TNUoS charge of an **Affected User** for the **Financial Year** / **Transmission Entry Capacity** for the **Connection Site**) / 365 calculated by reference to the tariff in the **Statement of Use of System Charges** for the **Financial Year** in which the **Relevant Interruption** occurs;

Affected MW = the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**;

System Buy Price is as defined in the **Balancing and Settlement Code**;

Market Price is as defined in the **Balancing and Settlement Code**.

“Interruption Period”

For a **Planned Outage**, shall mean the period in whole calendar days commencing with the notification of the **Affected User** by **The Company** of the start of **Relevant Interruption** and ending on the notification of the **Affected User** by **The Company** that the **Relevant Interruption** has ended;

For a **Relevant Interruption** arising as a result of an **Emergency Deenergisation Instruction**, shall mean the period from notification by **The Company** to the **Affected User** of the start of such **Relevant Interruption**, until the notification by **The Company** to the **Affected User** by **The Company** that the **Relevant Interruption** has ended which shall be measured in:

- i) whole **Settlement Periods** for the first 24 hours from the time of notification by **The Company** to the **Affected User** of the start of such **Relevant Interruption**; and

- ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

In the case of all other **Relevant Interruptions** the duration, shall mean the period from the start of such **Relevant Interruption** which shall be measured in:

- i) whole **Settlement Periods** for the first 24 hours from the start of such **Relevant Interruption**; and
- ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

“Interruption Payment”

the payment for a **Relevant Interruption** calculated as follows:

1) In the case of a **Relevant Interruption** arising as a result of a **Planned Outage**:

In the case of an **Affected User** other than an **Interconnector Owner**,

$$i = n$$

$$\sum_{i = k} \text{Maximum (Average daily } \pounds \text{ per MW rate}_i, \text{ Actual daily } \pounds \text{ per MW rate}_i) * \text{Affected MW}_i$$

In the case of an **Affected User** who is an **Interconnector Owner**,

$$i = n$$

$$\sum_{i = k} \text{Average daily } \pounds \text{ per MW rate}_i * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where:

$i = \text{calendar days}$

$k = 1$, representing the first calendar day associated with a **Relevant Interruption**.

$n = \text{number of complete or part complete calendar days of a Relevant Interruption}$

2) In the case of a **Relevant Interruption** arising as a result of an **Emergency Deenergisation Instruction**:

In the case of an **Affected User** other than an **Interconnector Owner**,

$$j = p$$

$$\sum_{j = 1} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$j = m$$

$$\sum_{j = 4} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an **Affected User** who is an **Interconnector Owner**,

$$j = p$$

$$\sum_{j = 1} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$j = m$$

$$\sum_{j = 4} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Deleted: each day or part thereof of the

Deleted: Period

Deleted: 1.

Deleted: the higher of:

Deleted: a) in

Deleted: the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**;

Deleted: A. the \pounds per MW calculated by reference to the total TNUoS income derived from generators divided by the total system **Transmission Entry Capacity**, in each case using figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs, this is then divided by 365 to give a daily \pounds per MW rate; or

Deleted: ¶
B. the actual \pounds per MW of an **Affected User** by reference to the tariff in the **Use of System Charging Statement** for the **Financial Year** in which the **Relevant Interruption** occurs divided by 365 to give a daily \pounds per MW rate. ¶

¶
A or B are then multiplied by: ¶
¶

Deleted: And

Deleted: ¶
b) in

Deleted: the MW specified in the **Transmission Entry Capacity** for the **Connection Site**.

Deleted: ¶
2.

Deleted: ¶

Deleted: (a) sum equal to the price in \pounds /MWh for the relevant **Settlement Period(s)** (as ¶ provided for in Section T 4.4.5 of the **Balancing and Settlement Code**) for ¶ each **Settlement Period** (or part thereof) from the time when the **Emergency Deenergisation Instruction** was issued by **The Company** until the first **Settlement ¶ Period** for which **Gate Closure** ... [1]

Deleted: the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Conne** ... [2]

Deleted: ¶
(ii) in

Deleted: the MW specified in the **Transmission Entry Capacity** for the **Connection Site**,

Deleted: ¶
(b) For each subsequent **Settlement Period** of the **Relevant Interru** ... [3]

where:

j = Settlement Periods from the time when the Emergency Deenergisation Instruction was issued by The Company, with 1 representing the first Settlement Period.

m = The duration of the Relevant Interruption, in Settlement Periods for which Gate Closure has not yet occurred (i.e. greater than 3, up to a maximum value of 48)

p = The duration of the Relevant Interruption in Settlement Periods for which Gate Closure has occurred (up to a maximum value of 3).

and after the first 24 hours of a Relevant Interruption a sum calculated as 1 above save that k shall be equal to 2.

3) In the case of all other Relevant Interruptions:

In the case of an Affected User other than an Interconnector Owner

$$\sum_{j=1}^{j=p} \text{System Buy Price}_j * 0.5 * \text{Affected MW}_j$$

Plus (if applicable)

$$\sum_{j=4}^{j=m} \text{Market Price}_j * 0.5 * \text{Affected MW}_j$$

In the case of an Affected User who is an Interconnector Owner

$$\sum_{j=1}^{j=p} \text{System Buy Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

Plus (if applicable)

$$\sum_{j=4}^{j=m} \text{Market Price}_j * 0.5 * \text{MW specified as the Transmission Entry Capacity for the Connection Site}$$

where:

j = Settlement Periods from the start of the Relevant Interruption, with 1 representing the first Settlement Period.

m = The duration of the Relevant Interruption, in Settlement Periods for which Gate Closure has not yet occurred (i.e. greater than 3, up to a maximum value of 48)

p = The duration of the Relevant Interruption in Settlement Periods for which Gate Closure has occurred (up to a maximum value of 3).

and after the first 24 hours of a Relevant Interruption a sum calculated in accordance with paragraph 1 above save that k shall be equal to 2.

Provided always that an Affected User shall not receive payment in respect of more than one Relevant Interruption for the same period.

Deleted: 3.

Deleted: For each **Settlement Period** of the **Relevant Interruption** which occurs within the first 24 hours of the **Relevant Interruption**, a sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 1.5.3 of the **Balancing and Settlement Code**), multiplied by:

Deleted: the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**; and

Deleted: a) in

Deleted: the MW

Deleted: specified in the **Transmission Entry Capacity** for the **Connection Site**

Deleted: as

Deleted: .

Deleted: for

4. In the event of the relevant **Market Price** being zero then for purpose of paragraphs 2 or 3 above the **Market Price** shall be deemed to be the most recent preceding positive price.

Throughout this definition of **Interruption Payment**:

Average daily £ per MW rate = (TNUoS income derived from generators/ total system **Transmission Entry Capacity**) / 365, calculated by reference in each case to figures for the **Financial Year** prior to that in which the **Relevant Interruption** occurs to give a daily £ per MW rate;

Actual daily £ per MW rate = (Annual TNUoS charge of an **Affected User** for the **Financial Year** / **Transmission Entry Capacity** for the **Connection Site**) / 365 calculated by reference to the tariff in the **Statement of Use of System Charges** for the **Financial Year** in which the **Relevant Interruption** occurs;

Affected MW = the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**;

System Buy Price is as defined in the **Balancing and Settlement Code**;

Market Price is as defined in the **Balancing and Settlement Code**.

(a) sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 4.4.5 of the **Balancing and Settlement Code**) for each **Settlement Period** (or part thereof) from the time when the **Emergency Deenergisation Instruction** was issued by **The Company** until the first **Settlement Period** for which **Gate Closure** had not (at the time the **Emergency Deenergisation Instruction** was issued by **The Company**) occurred multiplied by:

(i) in

the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection Site**; and

(b) For each subsequent **Settlement Period** of the **Relevant Interruption** which occurs within the first 24 hours of the **Relevant Interruption**, a sum equal to the price in £/MWh for the relevant **Settlement Period(s)** (as provided for in Section T 1.5.3 of the **Balancing and Settlement Code**) multiplied by:

(i) in the case of an **Affected User** other than an **Interconnector Owner** the MW arrived at after deducting from the **Transmission Entry Capacity** for the **Connection Site** the sum of the **Connection Entry Capacity** of the unaffected **BM Units** at the **Connection site**; and

(ii) in the case of an **Affected User** who is an **Interconnector Owner** the MW specified in the **Transmission Entry Capacity** for the **Connection Site**; and

(c)

“Interruption Period”

For a **Planned Outage**, shall mean the period in whole calendar days commencing with the notification of the **Affected User** by **The Company** of the start of **Relevant Interruption** and ending on the notification of the **Affected User** by **The Company** that the **Relevant Interruption** has ended;

Deleted: to the affected User

Deleted: by The Company

For a **Relevant Interruption** arising as a result of an **Emergency Deenergisation Instruction**, shall mean the period from notification by **The Company** to the **Affected User** of the start of such **Relevant Interruption**, until the notification by **The Company** to the **Affected User** by **The Company** that the **Relevant Interruption** has ended which shall be measured in:

i) whole **Settlement Periods** for the first 24 hours from the time of notification by **The Company** to the **Affected User** of the start of such **Relevant Interruption**; and

ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

In the case of all other **Relevant Interruptions** the duration, shall mean the period from the start of such **Relevant Interruption** which shall be measured in:

i) whole **Settlement Periods** for the first 24 hours from the start of such **Relevant Interruption**; and

ii) whole calendar days for any time after the first 24 hour period referred to in i) above.

CUSC Modification Proposal Form	CMP217
<p>Title of the CUSC Modification Proposal: <i>(mandatory by Proposer)</i></p> <p>Clarification of the CUSC 'Interruption Payment' and 'Interruption Period' definitions</p>	
<p>Submission Date <i>(mandatory by Proposer)</i></p> <p>17 January 2013</p>	
<p>Description of the CUSC Modification Proposal <i>(mandatory by Proposer)</i></p> <p>This modification proposes clarifying the 'Interruption Payment' and 'Interruption Period' definitions, which are set out in Section 11 of the CUSC, in order to allow the calculations set out by the legal text to be more easily derived.</p> <p>The 'Interruption Payment' and 'Interruption Period' definitions were introduced in 2004, following the approval of CAP48 by the Authority. The 'Interruption Payment' definition was further amended in 2008 following the approval of CAP144 by the Authority. More recently, CMP211 has made changes to the Interruption Payment definition. CMP211 was progressed as a self-governance modification; at the 14 December 2012 meeting, the CUSC Panel voted to approve the modification with an implementation date of 24th January 2013.</p> <p>This modification proposes to amend the 'Interruption Payment' and 'Interruption Period' CUSC text. The modification is not proposing to change the intent of CMP211 but simply introduce greater clarity into the CUSC definitions. For this reason, and to minimise industry resource, a straight to consultation route is preferred under the CUSC governance procedure.</p>	
<p>Description of Issue or Defect that CUSC Modification Proposal seeks to Address: <i>(mandatory by Proposer)</i></p> <p>The CUSC Panel has approved CMP212, under the self-governance process, with an implementation date of 24th January 2013. CMP212 will set out a more robust process in relation to loss of transmission access claims, introducing time limits for users to submit claims and for National Grid to investigate claims.</p> <p>The process for calculation of loss transmission access claims are set out in Section 11 of the CUSC under the definition of 'Interruption Payments'. Currently, the calculations can be difficult to follow. This modification proposes to clarify the 'Interruption Payment' definition such that it is easier for a third party, who is unfamiliar with the payment calculations to calculate the values involved. The modification will also clarify the 'Interruption Period' definition so that it is clearer as to what the period of payment is.</p> <p>The modification will allow a user to more easily work out the materiality of any loss of transmission access claim and assist in the efficiency of the loss of transmission access claims process introduced under CMP212.</p>	

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

Clarification of the 'Interruption Payment' and Interruption Period' definitions under the CUSC
(Section 11).

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? Yes/No *(mandatory by Proposer. Assessed in accordance with Authority Guidance – see guidance notes for website link)*

No

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information *(this should be given where possible)*

None

BSC

Grid Code

STC

Other

(please specify)

Urgency Recommended: Yes / No *(optional by Proposer)*

No

Justification for Urgency Recommendation *(mandatory by Proposer if recommending progression as an Urgent Modification Proposal)*

n/a

Self-Governance Recommended: Yes / No *(mandatory by Proposer)*

Yes

Justification for Self-Governance Recommendation *(Mandatory by Proposer if recommending progression as Self-governance Modification Proposal)*

Self-Governance is the preferred route for this modification because it is not introducing a significant change into the CUSC but simply clarifying definitions in order to make calculations easier to follow. The basis for the calculations will not change; they will be set out in a more logical format.

Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews? *(Mandatory by Proposer in order to assist the Panel in deciding whether a Modification Proposal should undergo a SCR Suitability Assessment)*

Yes

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

None

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

n/a

Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives:
(mandatory by proposer)

Please tick the relevant boxes and provide justification:

(a) the efficient discharge by The Company of the obligations imposed upon it by the Act and the Transmission Licence

(b) facilitating 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.

The modification will allow users, including those who may not be familiar with the calculations, to more easily derive the materiality of any loss of access claims.

(c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1

Details of Proposer: (Organisation Name)	National Grid
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Tariq Hakeem National Grid 01926 655 439 tariq.hakeem@nationalgrid.com

Details of Representative's

Alternate: Shafqat Ali
Name: National Grid
Organisation: 01926 655980
Telephone Number:
Email Address:

Attachments (Yes/No): Yes

If Yes, Title and No. of pages of each Attachment:

Attached: **Authority CAP48 and CAP144 decision letters.**



C:\01 Electricity
Codes\02 CAP48 Rev



C:\01 Electricity
Codes\02 CAP48 Rev

Attached: Legal text for proposed revised Section 11 changes



C:\01 Electricity
Codes\02 CAP48 Rev

Attached: Section 11 text after the implementation of CMP211 on 24th January 2013 i.e. prior to the changes proposed by this modification



C:\01 Electricity
Codes\02 CAP48 Rev