



CONSULTATION DOCUMENT

CUSC Amendment Proposal CAP158

Provision of Interim Response Volume information

The purpose of this document is to consult on Amendment Proposal CAP158 with CUSC Parties and other interested Industry members

Amendment Ref	CAP158
Issue	1.0
Date of Issue	14 September 2007
Prepared by	National Grid

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

Version	Date	Author	Change Reference
1.0	14/9/07	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	-

1.0	SUMMARY AND VIEWS.....	3
2.0	PURPOSE AND INTRODUCTION.....	3
3.0	PROPOSED AMENDMENT	4
4.0	ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES.....	4
5.0	PROPOSED IMPLEMENTATION	4
6.0	IMPACT ON THE CUSC	4
7.0	IMPACT ON INDUSTRY DOCUMENTS.....	4
8.0	INITIAL VIEW OF THE AMENDMENTS PANEL.....	5
9.0	INITIAL VIEW OF NATIONAL GRID	5
10.0	VIEWS INVITED.....	5
	ANNEX 1 - PROPOSED LEGAL TEXT TO MODIFY THE CUSC	6
	ANNEX 2 – AMENDMENT PROPOSAL FORM	7

1.0 SUMMARY AND VIEWS

Executive Summary

- 1.1 CAP158 Provision of interim response volume information was proposed by National Grid and submitted to the Amendment Panel on 31 August 2007. CAP158 proposes to extend the current information arrangements for providing mandatory frequency response volume data by including an additional clause in CUSC 4.13.13A.

National Grid's View

- 1.2 National Grid, as the proposer of CAP158 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC Objective (a).

Amendment Panels View

- 1.3 The Amendments Panel agreed that CAP158 should proceed to a wider consultation by National Grid for a period of 4 weeks.

2.0 PURPOSE AND INTRODUCTION

- 2.1 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.
- 2.2 Further to the submission of Amendment Proposal CAP158, this document seeks views from industry members relating to the Amendment Proposal
- 2.3 CAP158 was proposed by National Grid and submitted to the CUSC Amendments Panel for consideration at their meeting on 31 August 2007. The Amendments Panel determined that CAP158 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 CAP158 and the **closing date is 12th October 2007 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 CAP158 proposes to extend the current information arrangements for providing mandatory frequency response volume data by including an additional clause in CUSC 4.1.3.13A.
- 3.2 Currently Mandatory Frequency Response utilisation volume data for previous months are published on the 9th Business day of each month and Mandatory response energy prices are required to be submitted by the end of the 15th Business Day of each month. The submitted prices are then published on the 16th Business Day of the month. Consequently, the short time scales between the volume data publication and the price submission provides Users with a limited amount of time to analyse the market and respond accordingly.
- 3.3 CAP158 proposes that National Grid, using reasonable endeavours, will publish additional volume data by the end of the 3rd Business Day using non-validated data which will enable the market to better respond to the volume signals prior to the monthly price submission.

4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES

Proposed Amendment

- 4.1 CAP158 would better facilitate the CUSC Objective (a) (*the efficient discharge by the Licensee of the obligations imposed upon it by the act and the Transmission Licence*) by improve information for market participants prior to them submitting their monthly prices.

5.0 PROPOSED IMPLEMENTATION

- 5.1 National Grid proposes CAP158 should be implemented 10 business days after an Authority decision. In accordance with 8.19.3(b) views are invited on this proposed implementation date.

6.0 IMPACT ON THE CUSC

- 6.1 CAP158 requires an additional clause in the CUSC 4.1.3.13A of the CUSC.
- 6.2 The text to give effect to CAP158 is attached as Annex 1 of this document, the legal text has been revised from the Amendment Proposal Form to provide greater clarity for Users.
- 6.3 The draft legal text now states Users must recognise that this is provisional data and may differ from the data provided under Paragraph 4.1.3.13A (d) and therefore any reliance upon this provisional data would be entirely at the User's risk.

7.0 IMPACT ON INDUSTRY DOCUMENTS

Impact on Core Industry Documents

- 7.1 CAP158 has no impact upon Core Industry Documents or other industry documents.

8.0 INITIAL VIEW OF THE AMENDMENTS PANEL

- 8.1 The Amendments Panel agreed that CAP158 should proceed to wider consultation by National Grid, for a period of 4 weeks.

9.0 INITIAL VIEW OF NATIONAL GRID

- 9.1 National Grid, as the proposer of CAP158 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC 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 CAP158 and issues arising from the proposed timescale for implementation of CAP158.

- 10.2 Please send your responses to this consultation to National Grid by no later than close of business on 5.00pm on 12th October 2007.

- 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

The proposed legal text to modify the CUSC is detailed below by inserting the coloured underlined text to CUSC 4.1.3.13A as (c) and renumber subsequent paragraphs

(c) In respect of each day in a calendar month, **The Company** shall use reasonable endeavours to publish on its web-site by the third **Business Day** of the calendar month following that calendar month, provisional data in respect of all **BM Units** details of instructions issued by **The Company** in accordance with Paragraph 4.1.3.4 for each of **Primary Response, High Frequency Response** and **Secondary Response** (in such form and manner as shall be prescribed by **The Company** from time to time). **The Users** recognise that the provisional data may differ from the data to be provided under Paragraph 4.1.3.13A (d) and therefore any reliance upon this provisional data is entirely at the **User's** risk.

ANNEX 2 – AMENDMENT PROPOSAL FORM

CUSC Amendment Proposal Form	CAP:158
Title of Amendment Proposal: Provision of interim response volume information	
Description of the Proposed Amendment (mandatory by proposer): It is proposed to extend the current information arrangements for providing mandatory frequency response volume data by including additional clause in CUSC 4.1.3.13A. This will require National Grid, using reasonable endeavours, to publish additional volume data by the end of the 3 rd Business Day using non-validated data will enable the market to better respond to the volume signals prior to the monthly price submission. Consequently, this amendment will improve information for market participants prior to them submitting their monthly prices.	
Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer): Currently, mandatory frequency response volume data for the previous month is posted on the 9 th Business Day of the month. The 9 th day is used to ensure that the data posted is based on validated data and provides a best view of the volumes of frequency response held by National Grid during the previous month. Mandatory response energy prices for the following month are required to be submitted by the end of the 15 th Business Day of the month and published on the 16 th Business Day. These dates are designed to be as late in the month as possible - there are certain months of the year where there are only 18 Business Days in the month. Confirmation of prices on the 16 th business day allows National Grid with a minimum of 2 Business Days to analyse the information prior to prices becoming active. As such there is little time to delay further the submission of prices to National Grid, therefore it is proposed to bring forward the publication of historic data. It is proposed that earlier publication of the previous month's mandatory response volumes will give participants more time to analyse the market and thereby enable them to better respond to the signal in their next monthly price submissions. However, earlier submission of validated data is not possible. Therefore it is suggested to provide an additional volume report using non-validated data. This will enable participants to have additional time to analyse the data prior to price submission.	
Impact on the CUSC (this should be given where possible): Additional clause in the CUSC 4.1.3.13A stating that National Grid will use reasonable endeavours to publish the interim non-validated mandatory volume data by the end of the 3 rd Business Day of the month.	
Impact on Core Industry Documentation (this should be given where possible): None anticipated.	
Impact on Computer Systems and Processes used by CUSC Parties (this should be given where possible):	

<p>Details of any Related Modifications to Other Industry Codes (where known): None anticipated.</p>
<p>Justification for Proposed Amendment with Reference to Applicable CUSC Objectives** (mandatory by proposer):</p> <p>National Grid believes that this proposal will better facilitate CUSC Applicable Objective (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) by providing improved information to the market and hence provide the market with improved ability to respond to market signals.</p>

<p>Details of Proposer: Organisation's Name:</p>	National Grid
<p>Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "energywatch")</p>	CUSC Party
<p>Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:</p>	<p>Malcolm Arthur National Grid 01925 654909 Malcolm.arthur@uk.ngrid.com</p>
<p>Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:</p>	<p>Emma Carr National Grid 01926 655843 Emma.j.carr@uk.ngrid.com</p>
<p>Attachments (Yes/No): No. If Yes, Title and No. of pages of each Attachment:</p>	

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 Electricity Transmission plc Licence under Section C7F, paragraph 15. Reference should be made to this section when considering a proposed amendment.



Draft Legal Text

In respect of each day in a calendar month, **The Company** shall use reasonable endeavours to publish on its web-site by the third **Business Day** of the calendar month following that calendar month, provisional data in respect of all **BM Units** details of instructions issued by **The Company** in accordance with Paragraph 4.1.3.4 for each of **Primary Response**, **High Frequency Response** and **Secondary Response** (in such form and manner as shall be prescribed by **The Company** from time to time). The **Users** recognise that the provisional data may differ from the data to be provided under Paragraph 4.1.3.13A (d) and therefore any reliance upon this provisional data is entirely at the **User's** risk.