



**CONSULTATION ALTERNATIVE  
CONSULTATION DOCUMENT  
CUSC Amendment Proposal CAP158  
Provision of Interim Response Volume  
Information**

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

|               |                 |
|---------------|-----------------|
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| Prepared by   | National Grid   |

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

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| 1.0     | 26/10/2007 | National Grid | Formal version for release |

**b Document Location**

National Grid website:

[www.nationalgrid.com/uk/Electricity/Codes/](http://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 CAP158 Provision of interim response volume information was proposed by National Grid and submitted to the Amendment Panel on 31 August 2007.
- 1.2 The original CAP158 proposal was associated with publication of interim mandatory utilisation volumes only.
- 1.3 An alternative amendment has been proposed by EDF that extends the publication of interim mandatory volume data to include volume data from BMUs that have supplied commercial frequency response services.

### **National Grids View**

- 1.4 Providing the additional data for commercial BMU volumes does not significantly increase the resource requirements or change the intended implementation date.
- 1.5 National Grid is supportive of the alternative proposal and believes that providing the additional information would better facilitate achievement of the Applicable CUSC Objective (a).

## **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 and the subsequent consultation, this document seeks views from industry members relating to the Consultation Alternative Amendment for CAP158, proposed by EDF Energy.
- 2.3 CAP158 was proposed by National Grid and submitted to the CUSC Amendment Panel for consideration at their meeting on 31 August 2007. The Amendments Panel determined that the issue should proceed to wider industry consultation by National Grid.
- 2.4 Consultation and invited views on CAP158 concluded on 12 October 2007. The Consultation Alternative Amendment to CAP158 was proposed by EDF Energy.
- 2.5 Under the terms of the CUSC there is a requirement for a further period of Consultation to be undertaken in order to allow the Industry to consider the proposed consultation alternative amendment. All the correspondence received in response to the original consultation are contained in Annex 2.
- 2.6 This consultation document outlines the Consultation Alternative Amendment. 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.

- 2.7 This Consultation Alternative 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/](http://www.nationalgrid.com/uk/Electricity/Codes/) along with the Original Consultation Report, and the Amendment Proposal form. This document invites views upon the Consultation Alternative Amendment and the **closing date is 9 November 2007**.

### **3.0 THE CONSULTATION ALTERNATIVE AMENDMENT**

- 3.1 **CAA1 – EDF** – proposes that National Grid publish the data outlined in CAP158 original, with additional data published covering the volumes of response provided by BMUs under a commercial response service agreement. The timescales for data publication remain the same as the original, reasonable endeavours to publish on the 3<sup>rd</sup> business day of the month.

### **4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES**

- 4.1 In view of the proposer of Alternative Consultation Amendment, it would better facilitate the CUSC Objective (b) facilitating effective competition in generation and supply of electricity and 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.
- 4.2 In addition, National Grid believes that the Alternative Consultation Amendment 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 improving information for market participants prior to them submitting their monthly mandatory and commercial prices.

### **5.0 PROPOSED IMPLEMENTATION**

- 5.1 National Grid believes that CAP158 Consultation Alternative could be implemented 1 month after an Authority decision.

### **6.0 IMPACT ON CUSC**

- 6.1 CAP158 Consultation Alternative requires an additional clause in the CUSC 4.1.3.13A of the CUSC.

### **7.0 IMPACT ON INDUSTRY DOCUMENTS**

#### **Impact on Core Industry Documents**

- 7.1 CAP158 – CAA1 has no impact upon Core Industry Documents.

### **8.0 INITIAL VIEW OF NATIONAL GRID**

- 8.1 As the proposer of CAP158 original, National Grid supports the publication of additional information to improve the procurement of the frequency response.
- 8.2 National Grid believes that both the original and the proposed alternative better meets the applicable CUSC objectives.

## 9.0 VIEWS INVITED

- 9.1 National Grid is seeking the views of interested parties in relation to the issues raised by Consultation Alternative Amendment Proposal CAP158.
- 9.2 Please send your responses to this consultation to National Grid by no later than **close of business on 9 November 2007**.

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 TEXT TO MODIFY CUSC

### Part A - Text to give effect to the Proposed Consultation Alternative Amendment

(When compared to the original proposal the underlined text is additional text and the text which has strikethrough is the text to be removed)

#### Amend CUSC 4.1.3.13A accordingly, renumbering 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 (e) and therefore any reliance upon this provisional data is entirely at the **User's** risk.

(d) 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 any **Commercial Ancillary Service of Frequency Response** as may be agreed to be provided by a **User** 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 (f) and therefore any reliance upon this provisional data is entirely at the **User's** risk.

(e) In respect of each day in a calendar month, **The Company** shall, by the ninth **Business Day** of the calendar month following that calendar month, publish on its web-site 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).

(f) In respect of each day in a calendar month, **The Company** shall, by the ninth **Business Day** of the calendar month following that calendar month, publish on its web-site in respect of all **BM Units** details of instructions issued by **The Company** in accordance with any **Commercial Ancillary Service of Frequency Response** as may be agreed to be provided by a **User** 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).

## ANNEX 2 – COPIES OF REPRESENTATIONS RECEIVED TO THE CONSULTATION DOCUMENT

This Annex includes copies of all representations received following circulation of the Consultation Document of CAP158 (circulated on 14 September 2007, requesting comments by close of business on 12 October 2007).

Representations were received from the following parties:

| No | Company   | File No.       |
|----|---|----------------|
| 1  | EDF Energy  | CAP158 - CR-01 |
| 2  | Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd., Medway Power Ltd., and SSE Energy Supply Ltd.  | CAP158 - CR-02 |
| 3  | SAIC Ltd. For and behalf of : ScottishPower's Energy Wholesale business which includes Scottish Power Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd  | CAP158- CR-03  |
| 4  | RWE Group: RWE Npower plc, Npower Cogen Limited, Npower Cogen Trading Limited, Npower Direct Limited, Npower Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited, Npower Yorkshire Supply Limited. | CAP158- CR-04  |

| No. | Company    | File No.       |
|-----|------------|----------------|
| 1   | EDF Energy | CAP158 - CR-01 |

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



09 October 2007

Dear Beverley,

**CUSC Amendment Proposal CAP158 Provision of interim response volume information**

EDF Energy is pleased to have the opportunity to comment on the CUSC amendment proposal, CAP158.

EDF Energy is supportive of the amendment proposal, as it will ensure providers of Mandatory frequency response will have an extra week to assess holding volumes and revenues before submitting holding rates for the next month.

We do have two points:

1. The earlier publication will not remove the one month lag in holding data compared to the submission of prices. For instance, holding rates for October will be set on the basis of volume data from August. This is because the October price submission is prior to the publishing of September volumes as these are published in the following month. This is true of current arrangements and if CAP158 is implemented.

2. National Grid publishes holding volumes for Mandatory and Firm Frequency Response services on the 9<sup>th</sup> business day of the month. CAP158 will only ensure it publishes Mandatory, not Firm, Response volumes on the 3<sup>rd</sup> business day.

With regard to the second point we would like to raise a consultation alternative amendment. It aims to ensure response volumes procured from BMUs under commercial agreements will also be published.

We hope that you will find these comments helpful. If you have any queries please do not hesitate to me on the number below.

Yours sincerely,

David Scott  
Electricity Regulation,  
Energy Branch,  
EDF ENERGY

|  |                                 |   |
|--|---------------------------------|---|
|  <p><b>EDF Energy</b><br/>40 Grosvenor Place<br/>Victoria London SW1X 7EN</p> | <p>Tel +44 (0) 20 7752 2524</p> | <p><a href="http://edfenergy.com">edfenergy.com</a></p> |
| <p>EDF Energy plc. Registered in England and Wales. Registered No. 2366852. Registered Office: 40 Grosvenor Place, Victoria, London, SW2X 7EN</p>                |                                 |   |

## CUSC Consultation Alternative Amendment Proposal Form

### CUSC working title of the Amendment Proposal and corresponding CAP reference

CAP158 Provision of interim response volume information

### Description of the Proposed Consultation Alternative Amendment *(mandatory by proposer)*:

CAP158 proposes to extend the current information arrangements for providing mandatory frequency response volume data by including additional clause in CUSC 4.1.3.13A.

The CAA will require National Grid, to publish additional volume data for Commercial Frequency Response (such as Firm contracts) on the 3<sup>rd</sup> business day as per the CAP158 proposal for Mandatory Response.

It will also codify in the CUSC an obligation on NGET to publish validated Commercial Frequency Response data upon the 9<sup>th</sup> business day of the month.

It places no obligation for NGET to publish information on Frequency Control Demand Management (FCDM) as it refers solely to BM units.

### Description of differences between the proposed Consultation Alternative Amendment compared to Original proposal / Working Group alternative *(mandatory by proposer)*:

The CAA aims to provide Commercial holding volumes in addition to Mandatory holding volumes to assist synchronous Mandatory providers in setting holding prices for the following month.

### Justification for the proposal of the Consultation Alternative *(including why the original proposal / Working Group alternative does not address the defect)* *(mandatory by proposer)*:

The justification is identical to CAP158 original.

### 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 **AND** Commercial Response holding data by the end of the 3<sup>rd</sup> Business Day of the month;

Additional clause in the CUSC 4.1.3.13A stating that National Grid will publish the validated Commercial Response volume data by the end of the 9<sup>th</sup> Business Day of the month;

### Impact on Core Industry Documentation *(this should be given where possible)*:

None

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

None

### Justification for Proposed Consultation Alternative Amendment with Reference to Applicable CUSC Objectives\*\* *(mandatory by proposer)*:

EDF Energy 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.

We believe the CAA is superior to the original amendment for this applicable CUSC objective.

|  |   |
|--|---|
| <b>Details of Proposer of Consultation Alternative Amendment:</b><br>Organisation's Name:  | EDF Energy  |
| <b>Capacity in which the Amendment is being proposed:</b><br>(i.e. CUSC Party, BSC Party or "energywatch")                             | CUSC Party  |
| <b>Details of Consultation Alternative Proposer's Representative:</b><br>Name:<br>Organisation:<br>Telephone Number:<br>Email Address: | David Scott<br>EDF Energy<br>0207 752 2524<br>david.j.scott@edfenergy.com |
| <b>Details of Representative's Alternate:</b><br>Name:<br>Organisation:<br>Telephone Number:<br>Email Address:                         | Paul Mott<br>EDF Energy<br>0207 752 2517<br>paul.mott@edfenergy.com       |
| <b>Attachments (Yes/No):</b><br>If Yes, Title and No. of pages of each Attachment:   | Legal text see below  |

**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](mailto: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.

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.

(d) 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 any Commercial Ancillary Service of Frequency Response as may be agreed to be provided by a User 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.

(e) In respect of each day in a calendar month, The Company shall, by the ninth Business Day of the calendar month following that calendar month, publish on its web-site 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).

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| No. | Company  | File No.       |
|-----|--|----------------|
| 2   | Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd., Medway Power Ltd., and SSE Energy Supply Ltd. | CAP158 - CR-02 |

**From:** Garth.Graham@scottish-southern.co.uk [mailto:Garth.Graham@scottish-southern.co.uk]

**Sent:** Thursday, October 11, 2007 10:13 AM

**To:** Viney, Beverley

**Subject:** Re: CUSC - CAP158 Consultation

Dear Sirs,

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd., Medway Power Ltd., and SSE Energy Supply Ltd.

In relation to the consultation concerning CAP 158 "Provision of Interim Response Volume Information" (contained within your note of 14th September 2007) we agree with the view of National Grid that this Amendment Proposal would better facilitate the achievement of the Applicable CUSC Objectives.

Regards

Garth Graham  
Scottish and Southern Energy plc

| No. | Company  | File No.      |
|-----|--|---------------|
| 3   | SAIC Ltd. For and behalf of : ScottishPower's Energy Wholesale business which includes Scottish Power Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd | CAP158- CR-03 |



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

Ref CAP158  
Date 12<sup>th</sup> October 2007

Tel No. 01355 845208  
Email: [ukelectricityspoc@saic.com](mailto:ukelectricityspoc@saic.com)

Dear Beverley,

**CUSC Amendment Proposal CAP158, Provision of Interim Response Volume information**

Thank you for the opportunity to comment on the Consultation for Amendment Proposal CAP158. This response is submitted on behalf of ScottishPower's Energy Wholesale Business which includes ScottishPower Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd.

ScottishPower supports the earlier publication of Mandatory Frequency Response data. We feel that earlier sight of this data, even though it is not firm, will allow us to respond to the published volume data with more flexibility where required.

Yours sincerely

**Gary Henderson**



For and on behalf of: ScottishPower's Energy Wholesale Business which includes ScottishPower Generation Ltd, ScottishPower Energy Management Ltd and CRE Energy Ltd.

| No. | Company   | File No.      |
|-----|---|---------------|
| 4   | RWE Group: RWE Npower plc, Npower Cogen Limited, Npower Cogen Trading Limited, Npower Direct Limited, Npower Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited, Npower Yorkshire Supply Limited. | CAP158- CR-04 |

RWE Trading



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

Name Raoul Thulin  
Phone 01793 892634  
Fax 01793 892167  
E-Mail raoul.thulin@rwe.com

11<sup>th</sup> September 2007

**CUSC Amendment Proposal CAP158 Provision of interim response volume information - Consultation Response**

Dear Ms Viney

Thank you for the opportunity to respond to the above consultation. The following response is provided on behalf of the following CUSC Parties within the RWE Group: RWE Npower plc, Npower Cogen Limited, Npower Cogen Trading Limited, Npower Direct Limited, Npower Limited, Npower Northern Limited, Npower Northern Supply Limited, Npower Yorkshire Limited, Npower Yorkshire Supply Limited.

We support the aims of CAP158 and believe that the proposed change will aid the efficient functioning of the pricing process for frequency response. We consider that the proposed timescale for the implementation of CAP158, should it be approved, is appropriate.

Yours sincerely,

By e-mail

Raoul Thulin  
Ancillary Services Manager

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