

<b>CUSC Amendment Proposal Form</b>	<b>CAP011</b>
<p><b>Title of Amendment Proposal:</b> Changes to frequency response payments to reflect a potential change to the BSC.</p>	
<p><b>Description of the Proposed Amendment</b> <i>(mandatory by proposer):</i></p> <p>National Grid has proposed a change to the BSC (BSC Mod P34) to remove certain charges made as a result of delivering Ancillary Services and Other Services, including Mode A Frequency Response. If this proposal, or a similar proposal with the same effect, was adopted, we believe that CUSC would need to be amended such that the refund of these payments (which is described in CUSC) is also removed. Specifically, we propose the removal of the following payments (currently made under paragraph 4.1.3.9A):</p> <ul style="list-style-type: none"> <li>i. Refund of BSC imbalance charges; and</li> <li>ii. Refund of BSC non-delivery charges.</li> </ul> <p>The effective date to be consistent with the effective date of the BSC modification.</p> <p>For the avoidance of doubt, the payment for energy delivered or avoided as a result of delivering Mode A Frequency Response will continue to be made under CUSC.</p>	
<p><b>Description of Issue or Defect that Proposed Amendment seeks to Address</b> <i>(mandatory by proposer):</i></p> <p>The Transmission Company, in accordance with CUSC, currently refunds the following charges made under the BSC resulting from the delivery (along with certain other balancing services) of Mode A Frequency Response:</p> <ul style="list-style-type: none"> <li>i. BSC energy imbalance charges; and</li> <li>ii. BSC none delivery charges.</li> </ul> <p>National Grid has proposed a modification to the BSC to remove these charges at source. If this or a similar modification were adopted it would be necessary to modify CUSC to reflect the change to the BSC.</p>	
<p><b>Impact on the CUSC</b> <i>(this should be given where possible):</i></p> <p>Modifications to section 4 of the CUSC, in particular (but not necessarily exclusively) paragraph 4.1.3.9A.</p>	
<p><b>Impact on Core Industry Documentation</b> <i>(this should be given where possible):</i></p> <p>None identified (This amendment is in anticipation of a potential change to the BSC)</p>	
<p><b>Impact on Computer Systems and Processes used by CUSC Parties</b> <i>(this should be given where possible):</i></p> <p>Changes to the Transmission Company's Balancing Services Settlement System. Revisions to users' systems which verify these payments.</p>	
<p><b>Details of any Related Modifications to Other Industry Codes</b> <i>(where known):</i></p> <p>BSC modification proposal P34.</p>	

**Justification for Proposed Amendment with Reference to Applicable CUSC Objectives**

*(mandatory by proposer):*

Assuming the BSC is modified as described, this modification is justified since it prevents the Transmission Company refunding payments for costs that are not incurred, which would result in unnecessary payments being made to certain service providers. The cost of these payments would be borne by BSUoS customers.

This is compatible with CUSC objective (a), the efficient discharge by National Grid of its obligations under the Transmission Licence; and objective (b), facilitating competition.

<b>Details of Proposer:</b> Organisation's Name:	National Grid
<b>Capacity in which the Amendment is being proposed:</b> (i.e. CUSC Party, BSC Party or "energywatch")	BSC Party
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	Richard Phillips National Grid 024 7642 3184 richard.phillips@uk.ngrid.com
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Nick Sillito National Grid 024 7642 3082 nick.sillito@uk.ngrid.com
<b>Attachments (Yes/No):</b> No <b>If Yes, Title and No. of pages of each Attachment:</b>	

**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:

Mark Cox  
Panel Secretary  
Commercial Development  
National Grid Company plc  
National Grid House

*Amendment Proposal CAP011*

Kirby Corner Road  
Coventry, CV4 8JY

Or via e-mail to: [CUSC.Team@uk.ngrid.com](mailto:CUSC.Team@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).