

CUSC Amendment Proposal Form	CAP:182
Title of Amendment Proposal: Provision of Frequency Response from DC converters	
Description of the Proposed Amendment <i>(mandatory by proposer):</i> Grid Code modification H/04 – Changes to Incorporate New Generation Technologies and DC Interconnectors (Generic Provisions), approved by the Authority on 23 rd November 2005, obligates Direct Current (DC) Converters completed after 1 st April 2005 to meet certain requirements under the Grid Code; this includes the capability to provide the mandatory ancillary service of frequency response. The first DC Converter affected by this change (known as BritNed – a DC interconnector between GB and the Netherlands) is due to connect to the National Electricity Transmission System towards the end of 2010. A review of the suitability of the current CUSC arrangements, undertaken in 2009/10 by the Interconnector Frequency Response Working Group, concluded that a number of changes were required to facilitate the provision and settlement of the mandatory ancillary service of frequency response from DC converters. There are a number of references to apparatus providing the frequency response service within Section 4 of the CUSC; however, these references do not currently include DC Converters. Hence this Amendment Proposal seeks to include DC Converters into all relevant references within the CUSC Section 4 and the Mandatory Service Agreement (Schedule 2 - Exhibit 4) to ensure that there are equitable arrangements with all providers of frequency response.	
Description of Issue or Defect that Proposed Amendment seeks to Address <i>(mandatory by proposer):</i> Although the Grid Code obligates DC Converters completed after 1 st April 2005 to provide frequency response, the CUSC does not provide the same provisions to DC Converters as for other obligated providers, i.e. generators. Therefore the CUSC does not facilitate the equitable provision of frequency response from DC converters.	
Impact on the CUSC <i>(this should be given where possible):</i> Initial assessment of the CUSC suggests that changes are required to section 4 and the Mandatory Services Agreement (Schedule 2 - Exhibit 4).	
Impact on Core Industry Documentation <i>(this should be given where possible):</i> The provision of mandatory frequency response from DC Converters requires a number of changes to the Balancing and Settlement Code (BSC) and the CUSC. National Grid has raised BSC Modification Proposal P259: Provision of Applicable Balancing Services Volumes for Interconnectors. This Modification Proposal aims to facilitate the connection of new interconnectors, but will not interact with the changes proposed to the CUSC.	
Impact on Computer Systems and Processes used by CUSC Parties <i>(this should be given where possible):</i> None anticipated.	
Details of any Related Modifications to Other Industry Codes <i>(where known):</i> National Grid has raised BSC Modification Proposal P259: Provision of Applicable Balancing Services Volumes for Interconnectors. This Modification Proposal aims to facilitate the connection of new interconnectors, but will not interact with the changes proposed to the CUSC.	

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

(mandatory by proposer):

- (a) the efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence

The Amendment Proposal will ensure that all parties obliged to provide mandatory frequency response are treated in a non-discriminatory manner.

- (b) facilitate the 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 Amendment Proposal will ensure that DC Converters can provide mandatory frequency response equitably with other mandatory providers such as generators, facilitating competition in the provision of balancing services.

Details of Proposer: Organisation's Name:	National Grid
Capacity in which the Amendment 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:	Malcolm Arthur National Grid Electricity Transmission plc 01926 654909 malcolm.arthur@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Alex Thomason National Grid Electricity Transmission plc 01926 656379 Alex.thomason@uk.ngrid.com
Attachments (No): If Yes, Title and No. of pages of each Attachment:	

Notes:

1. 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.
2. 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:

Steven Lam
Commercial
National Grid
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Or via e-mail to: steven.lam@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 Standard Condition C10, paragraph 1. Reference should be made to this section when considering a proposed amendment.