

# Stage 01: Code Administrator Consultation (Self-Governance)

## Connection and Use of System Code

# CMP253 'Legal Text Amendments to CUSC to Align with CMP253/6 intentions'

What stage is this document at?

01	Code Administrator Consultation
02	Draft CUSC Modification Report
03	Final CUSC Modification Report

CMP253 seeks to change the description of an “Associated Export BM Unit” within section 11 of the CUSC so that it is clear that an Import BM Unit will be treated as being Deenergised if a User’s Equipment within that BMU is Deenergised (i.e. one Station Transformer), and to remove the reference to Station BM United in the description to allow for the variances of the naming of Import BM Units in the BCA’s.

**Published on:** 2<sup>nd</sup> October 2015  
**Length of Consultation:** 15 Working days  
**Responses by:** 23<sup>rd</sup> October 2015



***National Grid’s opinion:***

CMP253 better facilitates Applicable CUSC Objectives (a) and (b) and therefore should be implemented.



***Low Impact:***

CUSC Parties, BSC Parties, National Grid Electricity Transmission PLC

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### Any Questions?

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## About this document

The purpose of this document is to consult on CMP253 with CUSC Parties and other interested industry members. Representations received in response to this consultation document will be included in the Code Administrator's CUSC Modification Report that will be furnished to the CUSC Panel for their decision. Parties are requested to respond by **5pm** on **23<sup>rd</sup> October 2015** to [cusc.team@nationalgrid.com](mailto:cusc.team@nationalgrid.com) using the Code Administrator Consultation Response Pro-forma which can be found via the following link:  
<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP253/>

Proposer:

**Damian Clough**

National Grid Electricity  
Transmission Plc

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## Document Control

Version	Date	Author	Change Reference
1.0	2 <sup>nd</sup> October 2015	Code Administrator	Code Administrator Consultation to Industry

## 1 Summary

- 1.1 This document describes the CMP253 CUSC Modification Proposal and seeks views from Industry members relating to the Proposal.
- 1.2 CMP253 was proposed by National Grid Electricity Transmission and submitted to the CUSC Modifications Panel for their consideration on 25<sup>th</sup> September 2015. A copy of this Proposal is provided in Annex 1. The Panel decided that this Modification should be classed as Self-Governance and should proceed directly to Code Administrator Consultation for 15 Working-Days.
- 1.3 The current wording in section 11 of the CUSC may result in an Interruption which should be classed as Relevant under the new arrangements introduced under CMP235/6, not being classed as relevant and not paid. CMP253 seeks to ensure that the CUSC Legal text aligns with the intentions of CMP235/6.
- 1.4 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, <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP253/>, along with the CUSC Modification Proposal Form.

### National Grid's Initial view

- 1.5 National Grid believes CMP253 should be implemented as it proposes to reword the legal text so that it aligns with the true intentions of CMP235/6.
- 1.6 CMP253 is not seeking to change anything which has not already been consulted on and approved by Ofgem, and will therefore align it to the baseline. An argument can be made that this Modification has a material effect but only when compared to the potential unintended consequences of the current wording, not when compared to the intention of CMP235/6.
- 1.7 National Grid is obliged to comply with Modification Proposals approved by the Authority and the CUSC. Where the two do not align as intended then this leads to inefficiency. By removing the grey areas within the current wording this gives Generators confidence that they will receive payments (as agreed and expected), for when they cannot access the grid through no fault of their own, thus aligning the services with what they have paid for, and helping keep actual costs aligned with forecasted costs thus improving competition.

## 2 Background

2.1 Following the implementation of CMP235/6 it has been noted by some customers that they are at risk of missing out on Interruption payments in certain situations. The current wording in Section 11 of the CUSC may result in an Interruption which should be classed as Relevant and therefore receive an Interruption payment as intended under CMP235/6, being refused.

2.2 The definition of an **Associated Export BM Unit** is;

an **Export BM Unit** where:

(i) that **Export BM Unit** and an **Import BM Unit** are comprised in the **User's Equipment** are both registered as being associated with each other in respect of and listed (in the case of the **Import BM Unit** being referred to as a "Station BM Unit") in **Appendix C** of the same **Bilateral Connection Agreement**; and

the **Import BM Unit** is **Deenergised** and as a direct consequence of the **Deenergisation** of the **Import BM Unit** the **Export BM Unit** is also **Deenergised**;

2.3 The above wording works when each Station Transformer has a separate BM Unit assigned to it. However there are instances where a Power Station's Station Transformers are grouped together in one **Import BM Unit**. The **Import BM Unit** as a whole may not be 'Deenergised' if only part of the Users equipment within that BM Unit is 'Deenergised' (i.e. one Station Transformer). However the Deenergisation of that individual Station Transformer may lead to that Power Station not being able to generate, which CMP236 states should be classed as a Relevant Interruption. However if the Import BM Unit is not Deenergised (i.e. can still partially Import) then the wording in section 11 could be interpreted so that the Interruption is not classed as Relevant.

2.4 Within the definition above it states "(in the case of the **Import BM Unit** being referred to as a 'Station BM Unit') in Appendix C of the same Bilateral Connection Agreement;" Not all **Import BM Units** are referred to as 'Station BM Unit's' within Appendix C of the BCA's with no obvious standard naming convention consistently applied. The above legal text implies that if the **Import BM Unit** is not referred to as a 'Station BM Unit' then again this may lead to instances where Relevant Interruptions under the intention of CMP235/6 does not lead to a payment.

### 3 Modification Proposal

- 3.1 CMP253 seeks to change the description of an “Associated Export BM Unit” within section 11 of the CUSC, so that it is then clear that an Import BM Unit will be treated as being Deenergised if a User’s Equipment within that BMU is Deenergised (i.e. one Station Transformer), and to remove the reference to ‘Station BM Unit’ in the description to allow for the variances of the naming of **Import BM Units** in the BCA’s.

## 4 Proposed Implementation and Transition

- 4.1 If approved, the Code Administrator proposes that CMP253 should be implemented 10 Working days after an Authority decision.

### **Impact on the CUSC**

5.1 Changes to Section 11.

### **Impact on Greenhouse Gas Emissions**

5.2 None identified.

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

5.3 None identified.

### **Impact on other Industry Documents**

5.4 None identified.

### Impact on other Industry Documents

- 6.1 For reference, the Applicable CUSC Objectives, as defined in the Transmission Licence are;
- a) The efficient discharge by the Licensee of the obligations imposed on 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.
  - c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.

### National Grid's view

- 6.2 National Grid believes this modification better meets the applicable CUSC objectives listed above as stated below
- a) National Grid is obliged to comply with Modification Proposals approved by the Authority and the CUSC. Where the two do not align as intended then this to inefficiency.
  - b) Generators pay TNUoS charges to access the National Electricity Transmission System. These costs end up in the final energy cost. By removing the grey areas within the current wording this gives Generators confidence that they will receive payments (as agreed and expected) for when they cannot access the grid through no fault of their own, thus aligning the service with that they have paid for, and helping keep aligned actual costs with forecasted costs thus improving competition.



## 7 Responses

- 7.1 If you wish to respond to this Code Administrator Consultation, please use the response proforma which can be found under the 'Industry Consultation' under the following link; <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP253/>
- 7.2 Responses are invited to the following questions;
- Q1:** Do you believe that CMP253 better facilitates the Applicable CUSC Objectives? Please include your reasoning
- Q2:** Do you support the proposed implementation approach?
- Q3:** Do you have any other comments?
- 7.3 Views are invited upon the proposal outlined within this report. Please submit your formal response to [cusc.team@nationalgrid.com](mailto:cusc.team@nationalgrid.com) by **5pm** on **23<sup>rd</sup> October 2015**.
- 7.4 If you wish to submit a confidential response, please note that 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 & 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.
- 7.5 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".



## Connection and Use of System Code (CUSC)

### Title of the CUSC Modification Proposal

Legal text amendments to CUSC to align with CMP235/6 intentions

### Submission Date

17/09/15

### Description of the Issue or Defect that the CUSC Modification Proposal seeks to address

*The current wording in section 11 of the CUSC may result in an Interruption which should be classed as Relevant and therefore receive an Interruption payment as intended under CMP236, being refused.*

*The definition of an **Associated Export BM Unit** is;*

an **Export BM Unit** where:

- (i) that **Export BM Unit** and an **Import BM Unit** are comprised in the **User's Equipment** are both registered as being associated with each other in respect of and listed (in the case of the **Import BM Unit** being referred to as a "Station BM Unit") in **Appendix C** of the same **Bilateral Connection Agreement**; and

the **Import BM Unit** is **Deenergised** and as a direct consequence of the **Deenergisation** of the **Import BM Unit** the **Export BM Unit** is also **Deenergised**;

*The above works when each Station Transformer has a separate BM Unit assigned to it. However there are instances where a Power Station's Station Transformers are grouped together in one **Import BM Unit**. The Import BM Unit as a whole may not be 'Deenergised' if only part of the Users equipment within that BM Unit is 'Deenergised' (i.e. one Station Transformer). However the Deenergisation of that individual Station Transformer may lead to that Power Station not being able to generate, which CMP236 states should be classed as a Relevant Interruption. However if the Import BM Unit is not Deenergised (i.e. can still partially Import) then the wording in section 11 could be interpreted so that the Interruption is not classed as Relevant.*

*Also within the definition above it states "(in the case of the **Import BM Unit** being referred to as a "Station BM Unit") in **Appendix C** of the same **Bilateral Connection Agreement**;*

Not all Import BM Units are referred to as “Station BM Unit’s” within Appendix C of the BCA’s with no obvious standard naming convention consistently applied. The above legal text implies that if the Import BM Unit is not referred to as a “Station BM Unit” then again this may lead to instances where Relevant Interruptions under the intention of CMP235/6 does not lead to a payment.

### Description of the CUSC Modification Proposal

This proposal seeks to change the description of an “**Associated Export BM Unit**” within section 11 of so that it is clear that an Import BM Unit will be treated as being Deenergised if a User’s Equipment within that BMU is Deenergised (i.e. one Station Transformer), and to remove the reference to Station BM Unit in the description to allow for the variances of the naming of Import BM Units in the BCA’s. The proposed legal text is as follows below which still retains the intent but removes any ambiguity.

that **Export BM Unit** and an **Import BM Unit** are comprised in the **User’s Equipment** and are both ~~registered as being associated with each other in respect of and~~ listed ~~(in the case of the Import BM Unit being referred to as a “Station BM Unit”)~~ in **Appendix C** of the same **Bilateral Connection Agreement**; and

*the **Import BM Unit** is **Deenergised** (where the **User’s Equipment** which forms part of the **Import BM Unit** contains more than one **Station Transformer** the **Import BM Unit** will be treated as **Deenergised** for the purposes of calculating **Interruption Payments** if one or more **Station Transformers** is **Deenergised**) and as a direct consequence of the **Deenergisation** of the **Import BM Unit** the **Export BM Unit** is also **Deenergised**;*

### Impact on the CUSC

Section 11

Do you believe the CUSC Modification Proposal will have a material impact on Greenhouse Gas Emissions? Yes / No

No

Impact on Core Industry Documentation. Please tick the relevant boxes and provide any supporting information

BSC

Grid Code

STC

Other   
(please specify)

<b>Urgency Recommended: No</b>
<b>Justification for Urgency Recommendation</b>
N/A
<b>Self-Governance Recommended: Yes</b>
Yes
<b>Justification for Self-Governance Recommendation</b>
<i>This modification proposal looks to reword the legal text so that it aligns with the intentions of CMP235/6. It is not seeking to change anything which has not already been consulted on and approved by Ofgem and will therefore align it to the baseline. You can argue that it does have a material effect but only when compared to the potential unintended consequences of the current wording, but not when compared to the intention of CMP235/6.</i>
<b>Should this CUSC Modification Proposal be considered exempt from any ongoing Significant Code Reviews?</b>
No
<b>Impact on Computer Systems and Processes used by CUSC Parties:</b>
None
<b>Details of any Related Modification to Other Industry Codes</b>
None
<b>Justification for CUSC Modification Proposal with Reference to Applicable CUSC Objectives:</b>
<i>This section is mandatory. You should detail why this Proposal better facilitates the Applicable CUSC Objectives compared to the current baseline. Please note that one or more Objective must be justified.</i>
<b>Please tick the relevant boxes and provide justification:</b>
<input checked="" type="checkbox"/> (a) the efficient discharge by The Company of the obligations imposed upon it by the Act and the Transmission Licence
<input checked="" type="checkbox"/> (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.

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

Justification:

- a) National Grid is obliged to comply with Modification Proposals approved by the Authority and the CUSC. Where the two do not align as intended then this leads to inefficiency
- b) Generators pay TNUoS charges to access the National Electricity Transmission System. These costs end up in the final energy cost. By removing the grey areas within the current wording this gives Generators confidence that they will receive payments (as agreed and expected) for when they cannot access the grid through no fault of their own, thus aligning the service with what they have paid for, and helping keep aligned actual costs with forecasted costs thus improving competition.

## Additional details

<b>Details of Proposer:</b> (Organisation Name)	National Grid Electricity Transmission (NGET)
<b>Capacity in which the CUSC Modification Proposal is being proposed:</b> (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	Damian Clough National Grid Electricity Transmission (NGET) 01926656416 Damian.Clough@nationalgrid.com
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Paul Wakeley National Grid Electricity Transmission (NGET) 01926656416 Paul.Wakeley@nationalgrid.com

**Attachments (Yes/No): No**

## Contact Us

If you have any questions or need any advice on how to fill in this form please contact the Panel Secretary:

E-mail [cusc.team@nationalgrid.com](mailto:cusc.team@nationalgrid.com)

Phone: 01926 653606

For examples of recent CUSC Modifications Proposals that have been raised please visit the National Grid Website at <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/Current/>

## Submitting the Proposal

Once you have completed this form, please return to the Panel Secretary, either by email to [jade.clarke@nationalgrid.com](mailto:jade.clarke@nationalgrid.com) and copied to [cusc.team@nationalgrid.com](mailto:cusc.team@nationalgrid.com), or by post to:

Jade Clarke  
CUSC Modifications Panel Secretary, TNS  
National Grid Electricity Transmission plc  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

If no more information is required, we will contact you with a Modification Proposal number and the date 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, the Proposal can be rejected. You will be informed of the rejection and the Panel will discuss the issue at the next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform you.





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Direct tel +44 (0)1926 653606

25<sup>th</sup> September 2015

[www.nationalgrid.com](http://www.nationalgrid.com)

Reference: CMP253 Self-Governance Statement

Dear Abid,

This is the CUSC Modifications Panel's Self-governance Statement to the Authority for CUSC Modification Proposal (CMP) 253. National Grid has prepared this Self-governance Statement on behalf of the CUSC Modifications Panel and submits it to you in accordance with CUSC Section 8.25.1.

On 25<sup>th</sup> September 2015 the CUSC Modifications Panel considered CMP253 and confirmed unanimously that it meets the Self-governance criteria.

As such, CMP253 is unlikely to discriminate between different classes of CUSC Parties and is unlikely to have a material effect on:

- i) Existing or future electricity customers;
- ii) Competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity,
- iii) The operation of the National Electricity Transmission System
- iv) Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies
- v) The CUSC's governance procedures or the CUSC's modification procedures

The proposed timetable for the progression of CMP253 is as follows:

29 <sup>th</sup> September 2015	Code Administrator consultation issued (15 working days)
20 <sup>th</sup> October 2015	Deadline for responses
27 <sup>th</sup> October 2015	Draft CUSC Modification Report issued for industry comment
3 <sup>rd</sup> November 2015	Deadline for comment
19 <sup>th</sup> November 2015	Draft CUSC Modification Report issued to CUSC Panel
27 <sup>th</sup> November 2015	CUSC Panel determination vote
27 <sup>th</sup> November 2015	Appeals window open
18 <sup>th</sup> December 2015	Appeals window closes
6 <sup>th</sup> January 2016	Implementation date

The CMP253 form is available at;

<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP253/>

If you require any further information please do not hesitate to contact me.

Yours Sincerely,

Jade Clarke  
CUSC Modifications Panel Secretary.



“Associated Export BM Unit”

an **Export BM Unit** where:

- (i) that **Export BM Unit** and an **Import BM Unit** are comprised in the **User’s Equipment** and are both ~~registered as being associated with each other in respect of and~~ listed ~~(in the case of the **Import BM Unit** being referred to as a “Station BM Unit”)~~ in **Appendix C** of the same **Bilateral Connection Agreement**; and

the **Import BM Unit** is **Deenergised** (where the **User’s Equipment** which forms part of the **Import BM Unit** contains more than one **Station Transformer** the **Import BM Unit** will be treated as **Deenergised** for the purposes of calculating **Interruption Payments** if one of more **Station Transformers** is **Deenergised**) and as a direct consequence of the **Deenergisation** of the **Import BM Unit** the **Export BM Unit** is also **Deenergised**;