

Schedule

EDF Energy detailed comments in respect of code and licence amendments

Draft licence amendments

No	Condition; Para	Page	EDF Energy Proposed drafting amendments (as shown in red text)	Explanation for drafting amendments
1.	Condition C[x]: Requirements of a Connect and Manage Connection; definitions	52	<p>“connect and manage applicant”</p> <p>means a person seeking a connect and manage connection by submitting a connect and manage application to the licensee;</p>	Drafting
2.	Condition C[x]: Requirements of a Connect and Manage Connection	52-56	Paragraph numbering needs to be amended throughout the licence condition	
3.	Condition C[x]: Requirements of a Connect and Manage Connection; Para 9	55	<p>95. The licensee shall use all reasonable endeavours to ensure that in its application of the use of system charging methodology in accordance with standard condition C5 (Use of system charging methodology), use of system charges resulting from transmission constraints</p>	<p>There is a risk with the current drafting that the “parties to whom the relevant use of system charge applies” could be amended in future by changes to the use of system charging methodology. This is clearly not the intention of the Government’s proposals as indicated on page 41 of the consultation document which states that the costs should</p>

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			costs are treated by the licensee such that the effect of their recovery is shared on a per MWh basis by all CUSC parties to whom the relevant use-of-system-charge applies .	be <u>fully</u> socialised as they are currently are under the interim connect and manage arrangements i.e. across all CUSC parties.
4.	Condition D[x]: Requirements of a Connect and Manage Connection; definitions	57	“connect and manage applicant” means a person seeking a connect and manage connection by submitting a connect and manage application to the licensee;	Drafting
5.	Condition D[x]: Requirements of a Connect and Manage Connection	57-60	Paragraph numbering needs to be amended throughout the licence condition 14. 3. The licensee shall use all reasonable endeavours to complete the enabling works identified as required on the licensee’s transmission system in relation to a connect and manage application in a timescale which allows for a connect and manage connection consistent with the connect and manage applicant’s reasonable expectations as to connection date, as notified to the licensee by	
6.	Condition D[x]: Requirements of a Connect and Manage Connection; Para 14	60		Drafting

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			the system operator.	
7.	Condition D[x]: Requirements of a Connect and Manage Connection; Para 17	60	<p>176. The licensee shall use all reasonable endeavours to ensure that:</p> <p>(a) the TO offer made to the system operator as regards persons seeking connection other than through a connect and manage application; or</p> <p>(b) the connection arrangements of persons already connected pursuant to terms offered prior to the connect and manage implementation date,</p> <p>are not disadvantaged without objective justification as a result of a connect and manage connection.</p>	Drafting
8.	Condition C5: use of system charging methodology; Para 5(b)	69	<p>(b) that compliance with the use of system charging methodology results in charges which are compatible with standard condition C[x] (Requirements of a connect and manage connection) and reflect, as far as is reasonably practicable and where appropriate not such as to be incompatible with standard condition C[x] (Requirements of a connect and manage connection), the costs (excluding any payments between transmission licensees which are made under and in accordance with the STC) incurred by transmission licensees in their</p>	Drafting

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			transmission businesses; and	
9.	Condition C17: Transmission system security standard and quality of service Para 18	70	18.1. Subject to paragraphs 19-20 and 21 2 3 and 4 of this condition, the licensee shall at all times:	Drafting
10	Condition C17: Transmission system security standard and quality of service Para 19	70	19.2. Before making a connect and manage offer in accordance with standard condition C[x] (Requirement of a connect and manage connection), the licensee shall determine whether, in making a connect and manage offer, it would comply with paragraph 1 of this condition at the connection date. If the licensee determines that making a connect and manage offer would be inconsistent with its obligations under paragraph 1 of this condition, the licensee shall determine by reference to the connect and manage derogation criteria whether a connect and manage derogation is required and appropriate and produce a connect and manage derogation report thereon.	Drafting
11	Condition C17: Transmission system security standard and quality of service	70	20. 3. Where a connect and manage derogation report is submitted to the licensee by another transmission licensee in respect of an associated TO offer, the licensee shall:	Drafting

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	Para 20		(a) determine whether the connect and manage derogation detailed in the connect and manage derogation report satisfies the connect and manage derogation criteria; and	
12	Condition C17: Transmission system security standard and quality of service	70-71	Paragraph numbering needs to be amended throughout the licence condition	
13	Condition D3: Transmission system security standard and quality of service Paras 28-30	72	28.1. Subject to paragraphs 29 and 30 of this condition, the licensee shall at all times plan and develop the licensee's transmission system in accordance with the National Electricity Transmission System Security and Quality of Supply Standard version 2, together with the STC or such other standard of planning and operation as the Authority may approve from time to time and with which the licensee may be required to comply (following consultation (where appropriate) with any authorized electricity operator liable to be materially affected thereby) and shall, in so doing, take into account the system operator's obligations under standard condition C17 (Transmission system security standard and quality of service) to co-ordinate and direct the flow of electricity onto and over the national electricity transmission system. 29. Before making a TO offer to the system	Drafting

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			<p>operator in accordance with standard condition D[x] (Requirements of a connect and manage connection), the licensee shall</p> <p>(a) determine whether, in making a TO offer, it would comply with paragraph 1 of this condition at the connection date;</p> <p>(b) where it if the licensee determines that making a TO offer would be inconsistent with its obligations under paragraph 1 of this condition, the licensee shall determine by reference to the connect and manage derogation criteria whether a connect and manage derogation is required and appropriate; and</p> <p>(c) where a connect and manage derogation is identified, submit a connect and manage derogation report to the system operator within 70 days of the date of receipt by the system operator of the relevant connect and manage application, together with the associated TO offer.</p> <p>30. Where the licensee determines that a connect and manage derogation is required to enable it to make a TO offer as regards a connect and manage application, and the system operator has not responded to reject it within 90 days of submission of the connect</p>	

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			and manage derogation report, the licensee shall not be required to comply with the requirements of paragraph 1 of this condition until the wider works relevant to that connect and manage connection have been completed. Such wider works to be completed in accordance with paragraph 4 of Condition D[x]	

Draft Code amendments

No	CUSC Section; Para	Page	EDF Energy Proposed drafting	Explanation for drafting change
1.	Section 1: Connect and manage Arrangements;	74	New paragraph numbering to account for existing paragraphs 1.1 – 1.6	
2.	Section 1: Connect and manage Arrangements;	74	1.7.4.2 Transitional Arrangements The Company shall as soon as reasonably practical after the Connect and Manage Implementation Date and in any event by the end of the Connect and Manage Transition Period issue an agreement to vary each Existing ICM Construction Agreement such that it is in a form and on terms consistent with a Construction Agreement entered into on the basis of the Connect and Manage	Drafting

No	CUSC Section; Para	Page	EDF Energy Proposed drafting	Explanation for drafting change
			<p>Arrangements and on terms no less advantageous than those contained in the Existing ICM Construction Agreement.</p>	
3.	Section 5; Events of default, Deenergisation, and Disconnection	76	<p>5.7.2 The User shall be liable forthwith on the date the relevant Bilateral Agreement so terminates to pay to The Company:-</p> <p>(a) Connection Charges and/or Use of System Charges to the end of the Financial Year in which termination occurs all such charges becoming immediately due and payable upon the termination of the relevant Bilateral Agreement; and</p> <p>(b) Termination Amounts applicable to the Connection Site; and</p> <p>(c) (i) where the notice of to Disconnection is given after the 30 March 2011 and is less than 1 Financial Year and 5 Business Days prior to the Financial Year in which the Disconnection is to take effect; and</p> <p>(ii) the User is in the category of a Power Station directly connected to the National Electricity Transmission System or with a Bilateral Embedded Generation Agreement then unless such User has already given notice of a reduction in Transmission Entry Capacity to zero under CUSC Paragraph 6.30.1.1, a further sum equal to the amount of the Use of System Charges due for the Financial Year in which termination occurs,</p> <p>such payments to be made within 28 (twenty</p>	Drafting

No	CUSC Section; Para	Page	EDF Energy Proposed drafting	Explanation for drafting change
			eight) days of the date of The Company 's invoice in respect thereof.	
4.	Section 11; Interpretation and Definitions	78-79	Where possible these might be aligned with the wording of the licence e.g Connect and Manage Self - Derogation Report c.f. "connect and manage derogation report"	For consistency and ease of interpretation
5.	Construction Agreement; 7.2	105	7.2 If Embedded upon compliance by the User with the provisions of Clauses 5.1, 5.2 and 5.3 and subject, if The Company so requires, to the [Transmission Reinforcement Works <i>where under the Connect and Manage Arrangements, replace with Enabling Works]</i> [and/or works for the Modification] being carried out and/or the [New] Connection Site being Operational (any or all as appropriate) The Company shall forthwith notify the User (" Operational Notification ") in writing that it has the right to use the National Electricity Transmission System . It is an express condition of this Construction Agreement that in no circumstances, will the User use or operate the User's Equipment without receiving the Operational Notification from The Company .	

No	STC Section; Para	Page	EDF Energy Proposed drafting	Explanation for drafting change
1.	Section J; Definitions	139-140	Where possible these might be aligned with the wording of the licence e.g Connect and Manage Self - Derogation Report c.f. “connect and manage derogation report”	For consistency and ease of interpretation