

### **Condition C10: Connection and Use of System Code (CUSC)**

1. The licensee shall establish arrangements for connection and use of system in respect of matters which, other than those to which standard conditions C14 (Grid Code) and C5 (Use of system charging methodology) to C9 (Functions of the Authority) relate are calculated to facilitate the achievement of the following objectives:

- (a) the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this 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; ~~and~~
- (c) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency; ~~and,~~
- (d) promoting efficiency in the implementation and administration of the CUSC arrangements,

and the licensee shall be taken to comply with this paragraph by modifying from time to time in accordance with the provisions of paragraphs 6 and 7 and the transition modification provisions, the document setting out the arrangements for connection and use of system which existed and which the licensee maintained pursuant to this licence immediately prior to the start of the transition period.

2. The licensee shall prepare a connection and use of system code ("CUSC") setting out:

- (a) the terms of the arrangements made in pursuance of paragraph 1;
- (b) the procedures established in pursuance of paragraphs 6, ~~6A~~ to 6G, and 13A ~~and to 13D~~;
- (c) such other terms as are or may be appropriate for the purposes of the CUSC; and
- (d) the charging methodologies,

and establishing:

- (e) a secretarial or administrative person or body, as specified in the CUSC, (the "code administrator") and setting out the code administrator's powers, duties and functions, which shall:
  - (i) include a requirement that, in conjunction with other code administrators, the code administrator will maintain, publish, review and (where appropriate) amend from time to time the Code of Practice approved by the Authority and any amendments to the Code of Practice are to be approved by the Authority;
  - (ii) include facilitating the matters required by paragraph 6; and
  - (iii) have regard to and, in particular to the extent that they are relevant, be consistent with the principles contained in, the Code of Practice;

- (f) a panel body, as specified in the CUSC (the "panel"), whose functions shall include matters required by this condition, and whose composition shall include:
  - (i) an independent chairperson approved by the Authority; and
  - (ii) a consumer representative (appointed by Citizens Advice or Citizens Advice Scotland, or any successor body) who has a vote as specified in the CUSC.
- 3. The licensee shall only enter into arrangements for connection and use of system which are in conformity with any relevant provisions of the CUSC.
- 4. The CUSC shall provide for:
  - (a) the licensee and each CUSC user to be contractually bound insofar as is applicable by the terms of the Grid Code from time to time in force;
  - (b)
    - (i) the licensee and each CUSC user, where appropriate, to enter into an agreement or agreements, supplemental to and in a form prescribed by the CUSC, setting out site specific details in respect of each site at which the CUSC user's electrical lines or electrical plant is connected to the national electricity transmission system;
    - (ii) each CUSC user, where appropriate, to enter into an agreement or agreements with a transmission licensee (other than the licensee) supplemental to and in a form prescribed by the CUSC setting out site specific details in respect of each site at which the CUSC user's electrical lines or electrical plant is connected to the national electricity transmission system;
  - (c) there to be referred to the Authority for determination such matters arising under the CUSC as may be specified in the CUSC; and
  - (d) a copy of the CUSC to be provided to any person requesting the same upon payment of an amount not exceeding the reasonable costs of making and providing such copy.
- 5. The provisions of paragraphs 4 and 10 shall not limit the matters which may be provided for in the CUSC.
- 6. The licensee shall establish and operate procedures for the modification of the CUSC (including procedures for modification of the modification procedures themselves), so as to better facilitate achievement of the applicable CUSC objectives, which procedures shall provide (without prejudice to the transition modification provisions and the procedures for modification provided for at paragraph 7 below):
  - (a) subject to paragraphs 6A and 6B, for proposals for modification of:
    - (i) the CUSC (other than in respect of proposals for modification of the charging methodologies) to be made by the licensee, CUSC users, the Authority (in relation only to modifications ~~which it reasonably considers are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency~~ within the scope of

paragraph 6H), and such other persons and bodies as the CUSC may provide; and

- (ii) the charging methodologies to be made by the licensee and/or CUSC users, the Authority (in relation only to modifications ~~which it reasonably considers are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency~~ within the scope of paragraph 6H), Citizens Advice, Citizens Advice Scotland, BSC parties and/or a materially affected party and in accordance with the provisions of the CUSC unless otherwise permitted by the Authority;
- (aa) for proposals for modification of the CUSC to be made by the licensee in accordance with a direction issued by the Authority pursuant to paragraphs 6(af), 6C (the "significant code review route") and 14;
- (ab) for the implementation of modification proposals without the Authority's approval in accordance with paragraph 13A (the "self-governance route") and 13C;
- (ac) for the provision by the code administrator of assistance insofar as is reasonably practicable and on reasonable request to parties, (including, in particular, small participants and consumer representatives) that request the code administrator's assistance in relation to the CUSC including, but not limited to, assistance with:
  - (i) drafting a modification proposal;
  - (ii) understanding the operation of the CUSC;
  - (iii) their involvement in, and representation during, the modification procedure processes (including but not limited to panel, and/or workgroup meetings) as required by this condition, specified in the CUSC, or described in the Code of Practice; and
  - (iv) accessing information relating to modification proposals and/or modifications;
- (ad) for:
  - (i) the regular convening of the charging methodology forum for the purposes of discussing further development of the charging methodologies;
  - (ii) for the provision of information by the licensee in accordance with paragraphs 9 and 10 of standard condition C4 (Charges for use of system) and paragraphs 13 and 14 of standard condition C6 (Connection charging methodology); and
  - (iii) insofar as reasonably practicable, the provision by the licensee of such other information or assistance as a materially affected party may reasonably request for the purposes of preparing a proposal to modify a charging methodology;
- (ae) for modification proposals made by the Authority or the licensee in accordance with paragraphs ~~6(a)~~, 6(aa) and 6(af)(i) respectively which ~~the Authority~~

~~reasonably considers are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency fall within the scope of paragraph 6H:~~

- (i) to be accepted into the CUSC modification procedures by the panel;
  - (ii) where they are raised by the licensee, not to be withdrawn without the Authority's prior consent; and
  - (iii) to proceed in accordance with any timetable(s) directed by the Authority in accordance with paragraph 6(af);
- (af) for compliance by the licensee and (where applicable) the panel with any direction(s) issued by the Authority under this paragraph setting and/or amending a timetable (in relation to a modification proposal which ~~the Authority reasonably considers is necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency~~ falls within the scope of paragraph 6H) for the:
- (i) licensee to raise a modification proposal; and/or
  - (ii) completion of each of the procedural steps outlined in paragraph 6 or 6E, to the extent that they are relevant; and/or
  - (iii) implementation of a modification.
- (ag) for the implementation of modification proposals without the Authority's approval in accordance with paragraph 13 D (the "fast track self-governance route");
- (b) except in the case of a modification failing within the scope of paragraph 6E or 13D, where a proposal is made in accordance with paragraphs 6(a), 6(aa) and, unless otherwise directed by the Authority, 6(ab),
- (i) for bringing the proposal to the attention of CUSC parties and such other persons as may properly be considered to have an appropriate interest in it (including consumer representatives);
  - (ii) for proper consideration of any representations on the proposal (including representations made by small participants and consumer representatives);
  - (iiA) for properly evaluating the suitability of the significant code review or self-governance route for a particular modification proposal;
  - (iii) for properly evaluating whether the proposed modification would better facilitate achieving the applicable CUSC objectives, provided that so far as any such evaluation requires information which is not generally available concerning the licensee or the national electricity transmission system, such evaluation shall be made on the basis of the licensee's proper assessment (which the licensee shall make available for these purposes) of the effect of the proposed modification on the matters referred to in paragraph 1(a) and (b);

- (iv) for the development and consideration of any alternative modification which may, as compared with the proposed modification, better facilitate achieving the applicable CUSC objective(s) provided that:
  - the alternative proposal is made as described in the Code of Practice and as further specified in the CUSC; and
  - unless an extension of time has been approved by the panel and not objected to by the Authority after receiving notice, any workgroup stage shall last for a maximum period (as specified in the CUSC) from the date on which the original modification was proposed,
- (ivA) in relation to proposals for the modification of charging methodologies, for compliance (as applicable) with:
  - paragraph 5 of standard condition C4 (Charges for use of system); and
  - paragraphs 4 and 10(b) of standard condition C6 (Connection charging methodology).
- (ivB) for the evaluation required under paragraph 6(b)(iii) (and, if applicable, paragraph 6(b)(iv)) in respect of the applicable CUSC objective(s) to include, where that impact is likely to be material, an assessment of the quantifiable impact of the proposal on greenhouse gas emissions to be conducted in accordance with such guidance (on the treatment of carbon costs and evaluation of the greenhouse gas emissions) as may be issued by the Authority from time to time;
- (v) for the preparation of a panel report:
  - setting out the proposed modification and, separately, any alternatives;
  - evaluating the proposed modification and, separately, any alternatives;
  - assessing the extent to which the proposed modification or any alternative would better facilitate achieving the applicable CUSC objectives and providing a detailed explanation of the panel's reasons for that assessment (such assessment to include, where applicable, an assessment of the quantifiable impact of the proposal on greenhouse gas emissions in accordance with paragraph 6(b)(ivB));
  - assessing the impact of the modification and any alternative on the core industry documents and the changes expected to be required to such documents as a consequence of such modification;
  - setting out a timetable for implementation of the modification and any alternative, including the date with effect from which such modification and any alternative (if made) would take effect; and

- (vi) subject to paragraph 6(b)(ivA), for the submission of the report to the Authority as soon after the proposal is made as is appropriate (taking into account the complexity, importance and urgency of the modification and in accordance with the time periods specified in the CUSC, which shall not be extended unless approved by the panel and not objected to by the Authority after receiving notice) for the proper execution and completion of the steps in sub-paragraphs (i) to (v); and
  - (vii) subject to paragraph 6(b)(ivA), for the revision and re-submission of the panel report provided under sub-paragraphs (v) and (vi), such re-submission to be made, if required by a direction issued by the Authority under paragraph 7(aa), as soon after the Authority's direction as is appropriate (taking into account the complexity, importance and urgency of the modification);
- (c) subject to paragraph 6(b)(ivA) and without prejudice to paragraph 3 of standard condition C4 (Charges for use of system), for the timetable (referred to in sub-paragraph (b)(v)) for implementation of any modification to be either:
- (i) in accordance with any direction(s) issued by the Authority under paragraph 6(af)(iii); or
  - (ii) where no direction is issued by the Authority under paragraph 6(af)(iii), such as will enable the modification to take effect as soon as practicable after the Authority has directed or, in the case of a proposal falling under paragraphs 6(ab) and 13A, the panel, has determined that such modification should be made, account being taken of the complexity, importance and urgency of the modification, and for that timetable to be extended with the consent of or as required by the Authority;
- (d) for each of the procedural steps outlined in this paragraph 6, to the extent that they are relevant, to be consistent with the principles contained in the Code of Practice; and
- (e) for the completion of each of the procedural steps outlined in this paragraph 6, to the extent that they are relevant, to be in accordance with any timetable(s) directed by the Authority under paragraph 46(af).

6A. Without prejudice to paragraph 6E, the procedures for the modification of the CUSC shall provide that proposals for modification of the CUSC falling within the scope of a significant code review may not be made by the parties listed in paragraph 6(a) during the significant code review phase, except where:

- (a) the Authority determines that the modification proposal may be made, having taken into account (among other things) the urgency of the subject matter of the proposal; or
- (b) the modification proposal is made by the licensee in accordance with paragraphs 6(aa) and 6C or 6(af)(i); or
- (c) the modification proposal is made by the Authority in accordance with paragraph 6(a)<sub>57</sub>

- 6B. The procedures for the modification of the CUSC shall provide that where a modification proposal is made during the significant code review phase, unless otherwise exempted by the Authority, the panel shall:
- (a) comply with the steps in paragraph 6(b) subject to sub-paragraph (c) of this paragraph; and
  - (b) as soon as practicable notify the Authority of:
    - (i) any representations received in relation to the suitability of the significant code review route; and
    - (ii) the panel's assessment of whether the proposal falls within the scope of a significant code review and the applicability of the exceptions under paragraph 6A(a) or (b), and its reasons for that assessment; and
  - (c) not proceed with the modification proposal at the Authority's direction.

6C. The procedures for the modification of the CUSC shall provide that if within twenty-eight (28) days after the Authority has published its significant code review conclusions, ~~the Authority issues to the licensee:~~

- (a) the Authority issues directions to the licensee, the licensee shall comply with those directions and shall treat the significant code review phase as ended;
- (b) the Authority issues to the licensee a statement that no directions under sub-paragraph (a) will be issued in relation to the CUSC, the licensee shall treat the significant code review phase as ended;
- (ba) the Authority raises a modification proposal in accordance with paragraph 6(a), the licensee shall treat the significant code review phase as ended;
- (bb) the Authority issues a statement that it will continue work on the significant code review, the licensee shall treat the significant code review phase as continuing until it is brought to an end in accordance with paragraph 6D;
- (c) neither directions under sub-paragraph (a), nor a statement under sub-paragraphs (b) or (bb) has have been issued, nor a modification proposal under sub-paragraph (ba), has been made, the significant code review phase will be deemed to have ended.

The Authority's published conclusions and directions to the licensee shall not fetter the voting rights of the members of the panel or the recommendation procedures informing the report described at paragraph 6(b)(v).

6D. The procedures for the modification of the CUSC shall provide that, if the Authority issues a statement under paragraph 6C(bb) and/or a direction in accordance with paragraph 6G, the significant code review phase will be deemed to have ended when either:

- (a) the Authority issues a statement that the significant code review phase has ended;
- (b) one of the circumstances in sub-paragraphs 6C(a) or (ba) occurs (irrespective of whether such circumstance occurs within twenty-eight (28) days after the Authority has published its significant code review conclusions); or

- (c) the Authority makes a decision consenting, or otherwise, to the modification of the CUSC following the panel's submission of its report under paragraph 6F(b).

6E. The procedures for the modification of the CUSC shall provide that, where the Authority has issued a statement in accordance with paragraph 6C(bb) and/or a direction in accordance with paragraph 6G, the Authority may submit a modification proposal for a modification falling within the scope of paragraph 6H(b) to the panel.

6F. The procedures for the modification of the CUSC shall provide, where the Authority submits a significant code review modification proposal to the panel in accordance with paragraph 6E:

- (a) for the preparation of a panel report:

- (i) evaluating the proposed modification;
- (ii) assessing the extent to which the proposed modification would better facilitate achieving the applicable CUSC objective(s) and providing a detailed explanation of the panel's reasons for that assessment (such assessment to include, where that impact is likely to be material, an assessment of the quantifiable impact of the proposal on greenhouse gas emissions, to be conducted in accordance with such guidance (on the treatment of carbon costs and evaluation of the greenhouse gas emissions) as may be issued by the Authority from time to time); and
- (iii) setting out a timetable for implementation of the modification, including the date with effect from which such modification (if made) would take effect;

- (b) for the submission of the report to the Authority as soon after the significant code review modification proposal is submitted for evaluation as is appropriate (taking into account the complexity, importance and urgency of the modification, and in accordance with the time periods specified in the CUSC, which shall not be extended unless approved by the panel and not objected to by the Authority after receiving notice) for the proper execution and completion of the steps in sub-paragraph (a);

- (c) for the revision and re-submission of the panel report provided under sub-paragraphs (a) and (b), such re-submission to be made, if required by a direction issued by the Authority under paragraph 7(aa), as soon after the Authority's direction as is appropriate (taking into account the complexity, importance and urgency of the modification); and

- (d) for the timetable (referred to in sub-paragraph (a)(iii)) for implementation of any modification to be either:

- (i) in accordance with any direction(s) issued by the Authority under paragraph 6(af)(iii); or
- (ii) where no direction has been issued by the Authority under paragraph 6(af)(iii), such as will enable the modification to take effect as soon as practicable after the Authority has directed that such modification should be made, account being taken of the complexity, importance and urgency of the modification, and for

that timetable to be extended or shortened with the consent of or as required by the Authority.

- (e) for the completion of each of the procedural steps outlined in this paragraph 6F, to the extent that they are relevant, to be in accordance with any timetable(s) directed by the Authority under paragraph 6(af).

The Authority's published conclusions and significant code review modification proposal shall not fetter the voting rights of the members of the panel or the recommendation procedures informing the report described at paragraph 6F(a).

6G. The procedures for the modification of the CUSC shall provide that, where a proposal has been raised in accordance with paragraph 6C(a) or 6(af)(i), or by the Authority under paragraph 6C(ba) and it falls within the scope of paragraph 6H(b), the Authority may issue a direction (a "backstop direction"), which requires such proposal(s) and any alternatives to be withdrawn and which causes the significant code review phase to re-commence.

6H. Modification proposals fall within the scope of this paragraph where:

- (a) the Authority reasonably considers the modifications are necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency; and/or
- (b) the modification proposal is in respect of a significant code review.

7. (a) Without prejudice to paragraph 13A, if a report has been submitted to the Authority pursuant to procedures described in paragraph 6(b)(vi) or 6F(b), and the Authority is of the opinion that a modification set out in such report would, as compared with the then existing provisions of the CUSC and any alternative modifications set out in such report, better facilitate achieving the applicable CUSC objectives the Authority may direct the licensee to make that modification.

(aa) If a report has been submitted to the Authority pursuant to the procedures described in paragraph 6(b)(vi) or 6F(b) and if the Authority determines that the report prepared in accordance with paragraph 6(b)(v) or 6F(a) is such that the Authority cannot properly form an opinion in accordance with paragraph 7(a), the Authority may issue a direction to the panel:

(i) specifying the additional steps (including drafting or amending existing drafting of the amendment to the CUSC), revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and

(ii) requiring the report to be revised and be re-submitted in accordance with paragraph 6(b)(vii) or 6F(c).

(b) The licensee shall, upon receipt of a direction from the Secretary of State to do so, modify the CUSC so as to incorporate any changes directed by the Secretary of State pursuant to section 90 of the Energy Act 2004 during or before the offshore transmission implementation period.

(c) [Not used].

- (d) The licensee shall only modify the CUSC:
- (i) in order to comply with any direction of the Secretary of State pursuant to sub-paragraph (b) or any direction of the Authority pursuant to sub-paragraph (a); or
  - (ii) with the consent of the Authority; or
  - (iii) in accordance with paragraphs 6 (ab) and 13A, or
  - (iv) in accordance with paragraphs 6 (ag) and 13D

and it shall not have the power to modify the CUSC in any other circumstance; and the licensee shall furnish the Authority with a copy of any modification made.

- (e) Without prejudice to paragraph 6A or 6E, only the licensee shall have the power to modify the CUSC.
8. The licensee shall prepare and publish a summary of the CUSC as modified or changed from time to time in such form and manner as the Authority may from time to time direct.
9. The licensee shall be a party to the CUSC Framework Agreement and shall comply with the CUSC.
10. The CUSC Framework Agreement shall contain provisions:
- (a) for admitting as an additional party to the CUSC Framework Agreement any person who accepts the terms and fulfils the conditions (each as specified in the CUSC) on which accession to the CUSC Framework Agreement is offered; and
  - (b) for referring for determination by the Authority any dispute which shall arise as to whether a person seeking to be admitted as a party to the CUSC Framework Agreement has fulfilled any accession conditions; and if the Authority determines that the person seeking accession had fulfilled all relevant standard conditions, for admitting such person to be a party to the CUSC Framework Agreement.
11. [Not used].
12. The licensee shall take all reasonable steps to secure and implement (consistently with the procedures applicable under or in relation to such documents), and shall not take any steps to prevent or unduly delay, changes to the core industry documents and/or industry codes to which it is a party (or in relation to which it holds rights in respect of amendment), such changes being changes which are appropriate in order to give full and timely effect to and/or in consequence of any modification which has been made to the CUSC, including, but not limited to, changes that are appropriate in order to avoid conflict or inconsistency as between the CUSC and any core industry document or industry code.
13. For the avoidance of doubt, paragraph 12 is without prejudice to any rights of approval, veto or direction in respect of proposed changes to the documents referred to in paragraph 12 which the Authority may have.

- 13A. The procedures for the modification of the CUSC shall provide that modification proposals shall only be implemented without the Authority's approval pursuant to this paragraph 13A where:
- (a)
    - (i) in the view of the panel, the modification proposal meets all of the self-governance criteria and the panel has submitted to the Authority in respect of the modification proposal and not withdrawn a self-governance statement; or
    - (ii) if a self-governance statement has not been made, or has been withdrawn, the Authority has determined that the self-governance criteria are satisfied and the modification proposal is suitable for the self-governance route; and
  - (b) unless otherwise exempted by the Authority, the panel has sent copies of all consultation responses to the Authority at least seven (7) days before the panel intends to make its determination under paragraph 13A(d); and
  - (c) the Authority has not directed that the Authority's decision is required prior to the panel's determination under paragraph 13A(d); and
  - (d) the panel has, no earlier than seven (7) days after sending the consultation responses referred to at paragraph 13A(b), determined, in accordance with paragraphs 6(b)(i) to (v) of this condition as applicable, that the modification proposal or any alternative should be implemented on the basis that it would, as compared with the then existing provisions of the CUSC and any other modifications proposed in accordance with paragraph 6(b)(iv), better facilitate the achievement of the applicable CUSC objective(s); and
  - (e)
    - (i) no appeal has been raised up to and including 15 working days after the panel's determination under paragraph 13A(d) in respect of such modification proposal and any alternative in accordance with paragraph 13B; or
    - (ii) an appeal has been raised in respect of such a modification proposal and any alternative in accordance with paragraph 13B and the Authority has not quashed the panel's determination referred to at paragraph 13A(d) of this condition and either remitted the relevant modification proposal and any alternative back to the panel for reconsideration or taken the decision on the relevant modification proposal and any alternative itself following the appeal.
- 13B. The procedures for the modification of the CUSC shall provide that those persons set out at paragraph 6(a) may appeal to the Authority the approval or rejection by the panel of a modification proposal and any alternative falling under the self-governance route, provided the appeal has been made up to and including 15 days after the approval or rejection and in accordance with the procedures specified in the CUSC and, in the opinion of the Authority:

- (a)

- (i) the appealing party is, or is likely to be, unfairly prejudiced by the implementation or non-implementation of that modification or alternative proposal; or
- (ii) the appeal is on the grounds that:
  - (1) in the case of implementation, the modification or alternative proposal may not better facilitate the achievement of at least one of the applicable CUSC objectives; or
  - (2) in the case of non-implementation, the modification or alternative proposal may better facilitate the achievement of at least one of the applicable CUSC objectives; and
- (b) it is not brought for reasons that are trivial, vexatious or have no reasonable prospect of success.

13C. The procedures for the modification of the CUSC shall provide that:

- (a) where an appeal has been raised in respect of a modification proposal and any alternative in accordance with paragraph 13B that modification proposal and any alternative shall be treated in accordance with any decision and/or direction of the Authority following that appeal;
- (b) if the Authority quashes the panel's determination referred to at paragraph 13A(d) of this condition and takes the decision on the relevant modification proposal and any alternative itself following an appeal in accordance with paragraph 13B, the panel's determination of that modification proposal and any alternative referred to in paragraph 13A(d) of this condition shall be treated as a report submitted to the Authority in accordance with the procedures specified in paragraph 6(b)(vi) of this condition and paragraph 7(a) of this condition and the panel's determination shall be treated as its recommendation.

13D. The procedures for the modification of the CUSC shall provide that modifications shall only be implemented without the Authority's approval pursuant to this paragraph 13D (the "fast track self-governance route") where:

- (a) in the unanimous view of the panel, the proposed modification meets all of the fast track self-governance criteria;
- (b) the panel unanimously determines that the modification should be made;
- (c) CUSC parties and the Authority have been notified of the proposed modification;
- (d) none of the persons named in sub-paragraph (c) have objected to the proposed modification being made via the fast track self-governance route in the fifteen (15) working days immediately following the day on which notification was sent; and
- (e) notification under sub-paragraph (c) contains details of the modification proposed, that it is proposed to be made via the fast track self-governance route, how to object to the modification being made via the fast track self-governance route, the proposed legal drafting and the proposed implementation date.

14. The licensee shall comply with any direction to the licensee made pursuant to this condition.

14A. Without prejudice to any rights of approval, veto or direction the Authority may have, the licensee shall use its best endeavours to ensure that procedures are in place that facilitate its compliance with the requirements of this condition, and shall create or modify industry documents including, but not limited to, the CUSC, core industry documents and industry codes where necessary no later than ~~31 December 2013~~31 March 2017.

15. In this condition:

"applicable CUSC objectives"

means:

- (a) ~~in relation to a proposed modification of the modification procedures only, the requirements of paragraph 6 (to the extent that they do not conflict with the objectives set out in paragraph 1);~~ [not used]
- (aa) in relation to a proposed modification of the charging methodologies only, the objectives (as applicable) set out at:
  - (i) paragraph 5 of standard condition C5 in relation to the use of system charging methodology; and
  - (ii) paragraph 11 of standard condition C6 in relation to the connection charging methodology, and
- (b) in relation to any other proposed modification, the objectives set out in paragraph 1.

"charging methodologies"

means

- (a) the use of system charging methodology established in accordance with standard condition C4 (Charges for use of system); and/or
- (b) the connection charging methodology established in accordance with standard condition C6 (Connection charging methodology),

as applicable.

"charging methodology forum"

means the forum (and related arrangements) established in the manner specified in the CUSC to facilitate meetings between the licensee and any other persons whose interests are materially affected by the applicable charging methodologies for the purpose of discussing the further development of the applicable charging methodologies, as shall be specified in the CUSC;

"Code of Practice"

means the Code Administration Code of Practice approved by the Authority and:

- (a) developed and maintained by the code administrators in existence from time to time; and
- (b) amended subject to the Authority's approval from time to time; and
- (c) re-published from time to time.

"directions"	<p>means, in the context of paragraph 6C, direction(s) issued following publication of significant code review conclusions which shall contain:</p> <ul style="list-style-type: none"> <li>(i) instructions to the licensee to make (and not withdraw, without the Authority's prior consent) a modification proposal;</li> <li>(ii) the timetable for the licensee to comply with the Authority's direction(s); and</li> <li>(iii) the Authority's reasons for its direction(s).</li> </ul>
"fast track self-governance criteria"	<p>means that a proposal, if implemented,</p> <ul style="list-style-type: none"> <li>(a) would meet the self-governance criteria; and</li> <li>(b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to: <ul style="list-style-type: none"> <li>(i) updating names or addresses listed in the CUSC;</li> <li>(ii) correcting minor typographical errors;</li> <li>(iii) correcting formatting and consistency errors, such as paragraph numbering; or</li> </ul> </li> <li>(iv) updating out of date references to other documents or paragraphs.</li> </ul>
"industry code"	<p>means a multilateral code or agreement created and maintained pursuant to a licence granted by the Authority under section 6 of the Act or under sections 7, 7ZA or 7A the Gas Act 1986.</p>
"materially affected party"	<p>any person or class of persons designated by the Authority for this purpose.</p>

"self-governance criteria"

means a proposal that, if implemented,

- (a) is unlikely to have a material effect on:
  - (i) existing or future electricity consumers; and
  - (ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution, or supply of electricity; and
  - (iii) the operation of the national electricity transmission system; and
  - (iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and
  - (v) the CUSC's governance procedures or the CUSC's modification procedures, and
- (b) is unlikely to discriminate between different classes of CUSC parties.

"self-governance statement"

means the statement made by the panel and submitted to the Authority in accordance with paragraph 13A(a)(i):

- (a) confirming that, in its opinion, the self-governance criteria are met and the modification is suitable for the self-governance route; and
- (b) providing a detailed explanation of the panel's reasons for that opinion.

“significant code review”

means a review of one or more matters which the Authority considers is likely to:

- (a) relate to the CUSC (either on its own or in conjunction with other industry codes); and
- (b) be of particular significance in relation to its principal objective and/or general duties (under section 3A of the Act), statutory functions and/or relevant obligations arising under EU law, and

concerning which the Authority has issued a notice to the CUSC parties (among others, as appropriate) stating:

- (i) that the review will constitute a significant code review;
- (ii) the start date of the significant code review; and
- (iii) the matters that will fall within the scope of the review.

“significant code review phase”

means the period

(a) commencing either:

- (i) on the start date of a significant code review as stated by the Authority; or
- (ii) on the date the Authority makes a direction under paragraph 6G (a “backstop direction”);

and

(b) ending either:

- (i) on the date on which the Authority issues a statement under paragraph 6C(b) (that no directions will be issued in relation to the CUSC); or
- (ii) if no statement is made under paragraph 6C(b) or (bb), on the date on which the licensee has made a modification proposal in accordance with paragraphs 6(aa), 6C(a) and 7(d)(i), or the Authority makes a modification proposal under paragraph 6C(ba); or
- (iii) immediately under paragraph 6C(c), if neither a statement, a modification proposal or directions are issued made by the Authority up to and including twenty-eight (28) days from the Authority’s publication of its significant code review conclusions, or
- (iv) if a statement has been made under paragraph 6C(bb) or a direction has been made under paragraph 6G (a “backstop direction”), on the date specified in accordance with paragraph 6D.

"small participant"

means

- (a) a generator, supplier, distributor, or new entrant to the electricity market in Great Britain that can demonstrate to the code administrator that it is resource-constrained and, therefore, in particular need of assistance;
- (b) any other participant class of participant that the code administrator considers to be in particular need of assistance; and
- (c) a participant or class of participant that the Authority has notified to the code administrator as being in particular need of assistance.

"transition modification provisions"

means the provisions of this condition which apply or applied during the transition period and which enable or enabled the Authority (whether with or without the consent of the Secretary of State) to direct the licensee to modify the CUSC in certain circumstances.