

Minutes and Actions Arising from Meeting No.84 Held on 18 July 2008

Present:

Duncan Burt	DB	Panel Chairman
Richard Dunn	RD	Secretary
Hêdd Roberts	HR	Panel Member (National Grid)
Emma Carr	EC	Panel Member (National Grid)
Tony Diccico	TD	Panel Member (Users Member)
Paul Jones	PJ	Panel Member (Users Member)
Paul Mott	PM	Panel Member (Users Member)
Garth Graham	GG	Panel Member (Users Member)
Bob Brown	BB	Panel Member (Users Member)
Barbara Vest	BV	Panel Member (Users Member)
Simon Lord	SL	Panel Member (Users Member)
Dave Wilkerson	DW	Alternate Panel Member via teleconference
Dipen Gadhia	JB	Authority Representative via teleconference

1 Introductions/Apologies for Absence

1604. Apologies were received from Alison Kay, Hugh Conway and David Jones.

2 CUSC Amendment Panel Vote

▪ CAP160: Improvements to the Assessment of Amendments

1605. EC explained that those Panel Members who were Members of the Governance Standing Group would be broadly familiar with CAP160. CAP160 extends the Working Group phase and requires the Group to undertake a period of consultation. At this new Working Group Consultation Stage, CUSC Parties would be able to raise WG Alternative Requests which the Working Group would be required to consider. The Request was not an alternative but a request for the Group to consider an aspect of the Amendment Proposal which may or may not lead to the development of an alternative. If the majority of the Working Group or the Chair believes the Request has raised valid issues in the context of the Amendment Proposal then the Working Group will amend the Working Group Report accordingly or raise an alternative. Should a WG Consultation Request not be taken forward by the Group, reasoning for this decision will be provided in the WG Report to the Panel. The Amendment Proposal would then follow the existing arrangements except that there would be no opportunity to raise a Consultation Alternative Amendment (CAA) at the National Grid Consultation phase. However, the existing right to raise an Amendment Proposal at any time will remain. The Governance Standing Group had endorsed the development of an Amendment Proposal on the lines of CAP160 and reviewed the draft legal text. National Grid believed that CAP160 would better facilitate the achievement of Applicable CUSC Objective (a) and recommended the implementation of CAP160 to the Authority.

1606. The Panel discussed the concerns with the implementation of CAP160 raised by British Energy who supported CAP160 but believed that CAP160 should only apply to any new Amendment Proposals rather than current proposals under consideration

and have not yet reached the final Working Group report stage. National Grid and the GSG believed that CAP160 should also apply to Amendment Proposals currently being considered (e.g. CAPs161-166 and CAP 167). The Panel noted that British Energy had not raised a CAA for CAP160 as it was entitled to do so in order to give the Authority an opportunity to consider an alternative which would not apply the provisions of CAP160 to Amendment Proposals currently under consideration. The Panel agreed with the GSG and National Grid that CAP160 should apply to existing Amendment Proposals under consideration. EC indicated that National Grid would also ask the Panel at the next meeting on 25 July to endorse a letter to go out to all CUSC Parties explaining the impact of CAP160 on the existing Amendment Proposals CAP161-166 and CAP167 as per the action from the last Panel in June.

Action: National Grid (EC)

1607. The Panel also noted that, should CAP160 be implemented, this would bring the importance of the independence of the Chair of a Working Group into sharper focus. For example, should a WG Consultation Request be raised that the Working Group as a whole did not consider valid the Chair would take a decision, after taking advice from the Panel, as to whether the Working Group should proceed to analyse the WG Consultation Request. As with the existing arrangements, if a Working Group was evenly divided over a WG Consultation Request the Chair would have the final say in any decision whether to pursue the request. EC suggested that CAP160 would also place greater onus on a Party to justify the WG Consultation Request.. PJ and TD believed that it would be essential to ensure expert assessment of any WG Consultation Request received in the context of current Working Groups' consideration of CAP161-166 should CAP 160 be implemented. These Amendment Proposals were vital in the wider context of the need to press ahead with connection of more carbon friendly new generation and the Working Group should be able to consider any WG Consultation Requests from Parties before Amendment Reports were submitted to the Authority for decision.
1608. GG noted that paragraph 3.5 of the draft Amendment Report envisaged the development of a pro-forma for responses and a revised template for a draft Amendment Report. EC confirmed that these would be put to the Panel for comment and endorsement in due course. The Panel also noted that, if there was no Working Group for an Amendment Proposal, National Grid would need to report on stages 9-11 identified in paragraph 3.5 of the CAP160 draft Amendment Report.
1609. The Panel unanimously voted that CAP160 BETTER facilitates Applicable CUSC Objective (a) and should be implemented as proposed by the GSG and National Grid.
- **Implementation Recommendation**
1610. EC explained that, should the Authority approve CAP160, National Grid were recommending implementation on the first business day after the Authority's decision. EC requested the Authority to note that any decision on CAP160 shortly before the scheduled August Panel meeting (29th) would create difficulties in implementing the new arrangements for CAP167. A clear week before the Panel meeting for any decision would be helpful. DG agreed to bear this in mind when Ofgem were advising the Authority on CAP160.

3 AOB

1611. PM and BB arrived at the meeting post Panel Recommendation Vote. DB explained to PM and BB the issues that the Panel had discussed in the context of its decision to support unanimously the recommendation for CAP160. PM and BB indicate that they also supported CAP160 and its implementation one business day after any decision by the Authority.

4 Record of Decisions – Headline Reporting

1612. The Panel Secretary would circulate an outline Headline Report after the meeting and place it on the National Grid website in due course.

Action – RD to circulate and publish.

5 Date of Next Meeting

1613. The next meeting is scheduled for Friday 25th July 2008, at National Grid House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.