

**Minutes and Actions Arising from Meeting No.88
Held on 3 October 2008**

Present:

Alison Kay	AK	Panel Chairman
Sarah Hall	SH	Secretary
Hêdd Roberts	HR	Panel Member (National Grid)
Paul Jones	PJ	Panel Member (Users Member)
Garth Graham	GG	Panel Member (Users Member) via teleconference
Bob Brown	BB	Panel Member (Users Member)
Barbara Vest	BV	Panel Member (Users Member) via teleconference
Simon Lord	SL	Panel Member (Users Member)
Tony Diccico	TD	Panel Member (Users Member) via teleconference
Paul Mott	PM	Panel Member (Users Member) via teleconference
Mark Feather	MF	Ofgem Representative via teleconference

In Attendance

Chris Bennett	CB	Alternate Panel Chairman
Hugh Conway	HC	MEUC
Stuart Cook	SC	Ofgem
Michael Gibbons	MG	Powerfuel Power Ltd
Andrew Truswell	AT	National Grid
Dave Wilkerson	DW	Alternate Panel Member via teleconference

1 Introductions/Apologies for Absence

1697. No apologies for absence were received.

2 Production of Legal Text

1698. The Panel AGREED that Transmission Access Working Groups One and Two should undertake the production of draft legal text.

3 Working Group CAP166, Long-term Entry Capacity Auctions

1699. HR, as chair of Transmission Access Working Group 2, explained to the CUSC Panel that the Working Group did not believe its consultation on CAP166 was ready for publication. If the consultation could not be published today the Working Group would require an extension to the current timescales for returning to the CUSC Panel with a final report. The main concern of the Working Group is that this consultation

will be industry's only chance to request alternatives; the consultation is currently not detailed enough for readers do so. HR requested a six month extension on behalf of Transmission Access Working Group 2.

- 1700. HR explained that for the Working Group consultation to be ready for publication more work was required on process, testing, IS and SO/TO price control issues. TD noted that the original timescales proposed for the Working Group were very optimistic. PJ added that this phase of planning the gas auctions took over a year.
- 1701. CB asked the CUSC Panel if they agreed with the Working Group about the work which was still required. The Panel referred to the Working Groups Terms of Reference. HR noted that since the Terms of Reference had been written, the amendment had been developed. The original proposal was a simple auction design but during the development process the Working Group had concluded that this option would not work and a more complex auction design was required. The majority of the issues in the Terms of Reference had been covered but not concluded upon.
- 1702. Some of the Panel considered that it was essential that the process and definition were included in the consultation. Although some consideration of IS was required the Panel concluded that a full IS specification was not required for the Working Group consultation. The CUSC Panel voted on how long they believed the Working Group would need to prepare a suitable consultation. One Panel member voted for one month; seven Panel members voted for three months.
- 1703. Ofgem VETOED the three month extension. Ofgem voiced concern that the decision on all the Transmission Access suite of modification needed to be made at the same time. Any delay to CAP166 would delay the entire process. Ofgem agreed that the amendment was complex but this needed to be traded off with the importance and urgency.
- 1704. GG noted that Ofgem had indicated that page two of the TAR report suggested that the process would take 18 months. A three month extension would not increase this timescale. Ofgem noted that they had envisaged that 18 months to include the development of systems.
- 1705. Ofgem indicated that the longest extension they would be willing to approve was two weeks. The CUSC Panel considered that two weeks was an unrealistic timescale and asked Ofgem to reconsider. Ofgem reiterated that the longest extension they would be willing to approve was two weeks.
- 1706. The Panel voted on whether they should request a two week extension. Three Panel members voted for a two week extension (one member noting that he was voting under duress); five Panel members abstained from the vote. Working Group Two was given a two week extension.

4 AOB

- 1707. HC noted that consumers are no longer represented on the CUSC Panel. This has occurred because Energywatch has been replaced by the National Consumer Council and no new representative has been nominated. The Panel added that they were also concerned there was no consumer representation. The Authority noted that they were discussing the issue with the new National Consumer Council.

5 Date of Next Meeting

1660. The next CUSC Panel meeting is 31st October at National Grid, Warwick.