

<b>CUSC Amendment Proposal Form</b>	<b>CAP180</b>
<p><b>Title of Amendment Proposal:</b></p> <p>Amendments to the CUSC Governance Process.</p>	
<p><b>Description of the Proposed Amendment</b> (<i>mandatory by proposer</i>):</p> <p>This Amendment Proposal seeks to change two areas of the CUSC with the aim of improving participation of non-CUSC Parties at Working Group meetings and improving the management and fair treatment of observers at these meetings.</p> <p>Currently only a CUSC Party can raise a Working Group Consultation Alternative Request and nominate themselves to become a Working Group member. The following proposals aim to improve provisions for non-CUSC parties by:-</p> <ol style="list-style-type: none"> <li>I. Extending the right to raise a Working Group Consultation Alternative Request to Balancing and Settlement Code (BSC) Parties and the National Consumer Council (NCC).</li> <li>II. Extending the right to BSC parties and the NCC to nominate themselves to become a Working Group member.</li> </ol> <p>The following proposals seek to amend the CUSC in order to improve the management and fair treatment of observers attending Working Group meetings through:-</p> <ol style="list-style-type: none"> <li>III. Removing a Working Group member's right to invite an observer to a Working Group meeting.</li> <li>IV. Removing a Working Group member's right to invite an observer to speak at a Working Group meeting.</li> <li>V. Add provisions to enable observers to be removed by the chairman when causing disruption at a Working Group meeting.</li> </ol>	
<p><b>Description of Issue or Defect that Proposed Amendment seeks to Address</b> (<i>mandatory by proposer</i>):</p> <p>The Proposed Amendment aims to address two key issues; firstly, to improve access and participation of non-CUSC Parties and secondly; improve the process in the CUSC for managing observers. The proposal was originally discussed in the Governance Standing Group (GSG) meeting on 29<sup>th</sup> October 2009 and followed up on 26<sup>th</sup> November 2009 and 28<sup>th</sup> January 2010. The discussion has been captured in the relevant minutes which can be found in the link below:-</p> <p><a href="http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/gsg/">http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/gsg/</a></p> <ol style="list-style-type: none"> <li>I. <b>Extending the right to raise a Working Group Consultation Alternative Request to Balancing and Settlement Code (BSC) Parties and the National Consumer Council.</b>  This proposal was raised in response to the issue that non-CUSC parties are not currently able to raise a Working Group Consultation Alternative Request (WGCAR). According to paragraph 8.17.13 of the CUSC, only a CUSC Party is able to request a WGCAR. A WGCAR is a request for a further Working Group Alternative Amendment to be raised as an alternative to the original Amendment Proposal or any other Working Group Alternative Amendments. The request results from a Working Group Consultation process.</li> </ol> <p>By extending this provision to BSC Parties and the NCC, this proposal is not only providing these parties the right to raise a WGCAR but also any additional non-CUSC parties a wider range of parties to choose from to submit a WGCAR through.</p> <ol style="list-style-type: none"> <li>II. <b>Extending the right to BSC Parties and the NCC to nominate themselves to become a Working Group member.</b>  Currently the Amendments Panel can only select someone to join a Working Group if they have</li> </ol>	

been nominated by a CUSC Party. In some instances there may be parties who have an interest in an Amendment Proposal and wish to join a Working Group but are unable to do so because they cannot or do not wish to obtain the necessary nomination by another CUSC Party.

This Amendment Proposal looks to extend the right to nominate Working Group members to BSC Parties and the NCC.

Proposals I and II both aim to provide consistency with the existing provisions in the CUSC, whereby CUSC and BSC Parties and the NCC are able to raise Amendment Proposals to the CUSC.

The remainder of the proposals seeks to improve the process for managing observers attending Working Group meetings.

**III. Remove a Working Group member’s right to invite an observer to a Working Group meeting.**

According to CUSC section 8.17.9 the Working Group is open to attendance by any CUSC Party, BSC Party and the NCC and ‘any person’ invited by the chairman or member of the Working Group. Removing the right for Working Group members to invite ‘any person’ and leaving invitations to the chairman would promote equality in the process of selecting observers as the chairman is impartial so would be better placed in deciding which observers to invite. This would also give greater control to the chairman to manage the meeting.

**IV. Removing a Working Group member’s right to invite an observer to speak at a Working Group meeting.**

CUSC section 18.17.9 has provisions to enable both the chairman and members of a Working Group to invite an observer to speak at a meeting. This part of the Amendment Proposal will bring about a change that will only allow the chairman of a Working Group to invite an observer to speak. As the chairman is impartial it is felt that they would be better placed in making this decision as well as providing the chairman with greater control to better manage and facilitate the meeting. This amendment aims to facilitate efficiencies in the amendment process and align this with current best practice.

**V. Add provisions to enable observers to be removed by the chairman when causing disruption at a Working Group meeting.**

8.17.6 provides rights to the Amendments Panel to replace any member of the Working Group if they are unable to fulfil their function, are being disruptive or frustrating the work of the Working Group. Currently there are no similar provisions in the CUSC for observers. This proposal aims to provide similar rights to a chairman to remove an observer if they are disruptive or frustrating the work of a Working Group.

**Impact on the CUSC** *(this should be given where possible):*

Initial assessment suggests the following areas of the CUSC will require amendments:

<u>Proposal no.</u>	<u>CUSC Amendment section</u>
I and II	8.17.13
III and IV	8.17.9
V	8.17.6

**Impact on Core Industry Documentation** *(this should be given where possible):*

None

**Impact on Computer Systems and Processes used by CUSC Parties** *(this should be given where possible):*

None

**Details of any Related Modifications to Other Industry Codes (where known):**

None

**Justification for Proposed Amendment with Reference to Applicable CUSC Objectives\*\***  
(mandatory by proposer):

The Proposed Amendment would better facilitate the achievement of the Applicable CUSC Objective contained within the Transmission Licence, as follows:

**(a) the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this licence;**

Proposals III, IV and V will aid the efficient discharge by the licensee of its obligations by providing greater control for the chairman to manage and facilitate a Working Group meeting.

In addition, all elements of this Amendment Proposal would better facilitate the licence objective not to discriminate between classes of users.

**(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,**

Proposals I and II facilitate the above objective by aligning the treatment of BSC Parties and the NCC to CUSC Parties in raising a WGCAR and nominating themselves to be Working Group members. In addition for all remaining non-CUSC Parties that are not covered it provides a greater choice of parties to put forward a WGCAR or obtain a nomination to become a Working Group member.

<b>Details of Proposer:</b> Organisation's Name:	National Grid
<b>Capacity in which the Amendment 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:	Bushra Akhtar National Grid 01926 65223 Bushra.akhtar@uk.ngrid.com
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Alex Thomason National Grid 01926 656379 <a href="mailto:Alex.thomason@uk.ngrid.com">Alex.thomason@uk.ngrid.com</a>
<b>Attachments (Yes/No):</b>  <b>Yes, a suggested timeline has been outlined in Appendix one of this consultation. National Grid recommend that this Amendment Proposal go straight to Company Consultation.</b>	

**Notes:**

1. Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the Amendments Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.
2. The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which 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, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform the Proposer.

The completed form should be returned to:

Bali Virk  
Commercial  
National Grid  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

Or via e-mail to: [Bali.Virk@uk.ngrid.com](mailto:Bali.Virk@uk.ngrid.com)

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer that is a CUSC Party shall be deemed to have granted this Licence).

3. Applicable CUSC Objectives\*\* - These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1. Reference should be made to this section when considering a proposed amendment.

**Appendix 1: Time line of suggested proposal:**

Due to the simplicity of the Amendment Proposal raised it is recommended that the proposal be put straight to Company Consultation. Below is an estimated timeline (please note dates and milestones are only provided as a guideline):

Date	Milestones
26/02/10	Amendments Panel discuss with a view to approving to go to Company consultation.
03/03/10	Company Consultation issued for 3 weeks
23/03/10	Company Consultation closes
26/03/10	Draft Amendment Report circulated to Panel Members and Industry for comments
02/04/10	Deadline for Comments
06/04/10	Draft Amendment report issued to Panel Members before the Panel Recommendation Vote.
22/04/10	Draft Amendment report circulated with panel papers.
30/04/10	Panel vote on recommendation.
05/05/10	Draft Amendment report updated with panel vote and circulated for comments.
11/05/10	Deadline for comments
13/05/10	Final Amendment Report submitted to Authority for a decision.