

# CMP191

CUSC Panel

25<sup>th</sup> February 2011

Garth Graham – SSE Generation Ltd

# CMP191

- “NETSO Consultation in relation to any potential changes to the CUSC which takes place in forums other than the CUSC Modifications Panel”
  - Proposer: SSE Generation Ltd
  - Alternate: Waters Wye Associates

# Background (1)

- 3<sup>rd</sup> Energy Package ENTSO-e tasked with creating European Network Codes (ENCs) based on Framework Guidelines provided by European Regulators (ACER)
- ENCs will cover a wide range of topics from Grid Connection to Wholesale Market
- Each ENC will supersede domestic network codes in the Member State

# Background (2)

- ENCs could have a significant impact on national codes and changes will certainly be required to the CUSC
- National Grid participate, as NETSO, in the ENTSO-e at both committee and working level and are actively involved in the drafting process for the ENCs

# Background (3)

- NG have a licence obligation (Condition C10) to bring changes to the CUSC 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)
- Clearly the ENCs are likely to impose changes on the CUSC which will impact on CUSC parties and other stakeholders
- Given that NG are actively involved in these changes at European level, it's appropriate they are required to consult with GB stakeholders during the process

# Proposal (1)

- Propose to modify the CUSC to oblige NG to consult and engage with stakeholders on matters likely to impact the CUSC discussed and progressed in fora other than the CUSC Panel
- Three elements:-
  - (1) Provide the CUSC Panel with details of any drafting proposals, in particular those concerning European Network Codes, ahead of their submission to the relevant body (e.g. ENTSO-e), including draft text and impact assessments as appropriate

# Proposal (2)

- (2) Seek and take into consideration the views of the CUSC Panel on such drafting proposals ahead of their submission to the relevant body

and

- (3) Provide the CUSC Panel with prior notification of and subsequent feedback from meetings and workshops at which NG have attended as NETSO, particular with regard to development of European Network Codes

# Proposal (3)

- CUSC Panel may establish a Standing Group (Section 8.21) to carry out the items assigned to the Panel in (1), (2) and (3) (on previous slides)
- CUSC Panel and / or a Standing Group may consult CUSC signatories and others for their views on matters arising from or in related to (1), (2) and (3).



# Justification (1)

- Objective (a)
  - Better meets Licence Obligation

# Justification (2)

- Objective (b)
  - ensure NG maintains existing high standards of openness and transparency in the GB code revision process
  - ensure NG adequately and effectively consider the views of the stakeholders who fund them
  - ensure CUSC Parties (and others) have greater certainty, with regard to the development of the European Network Codes, as it directs NG to
    - (i) provide details of any drafting proposals;
    - (ii) seek and take into consideration views received; and
    - (iii) provide prior notification of and subsequent feedback from meetings and workshops.

# Justification (3)

- Without CMP191
  - detrimental impact of uncertainty about what ENC changes means for the CUSC – uncertainty hinders competition, creates barrier to entry, with a particular impact on small parties
  - detrimental impact of uncertainty about what ENC changes means for the CUSC leads to a greater perception of risk leads to increased costs

# Justification (4)

- Addresses issue raised by NG, in respect of the ENC development that:-
  - i) input is required from all stakeholders at an early stage;
  - ii) it is vital that any stakeholder concerns are understood at an early stage; and
  - iii) stakeholders engagement will be crucial in helping produce coherent and viable European Network Codes
- encourages effective engagement between NETSO and GB stakeholders + ensures CUSC parties and other stakeholders have an opportunity to be heard

# Way Forward

- CUSC Panel establish Workgroup to progress CMP191
- Workgroup to liaise with GCRP Workgroup considering similar Grid Code change
- Workgroup to report back to CUSC Panel in due course

## CMP191: Proposed progression



Alex Thomason  
CUSC Modifications Panel, 25<sup>th</sup> February 2011

## Proposed progression

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- The Panel is asked to:
  - Agree to establish a Workgroup to develop CMP191
  - Approve the appointment of a Workgroup Chairman
  - Approve the draft terms of reference for CMP191 Workgroup
  - Approve the timetable set out in the terms of reference
  - Consider the interaction of the Grid Code Working Group and any BSC Workgroup (should a BSC Modification Proposal be raised and a Workgroup established)

## Draft TOR for Workgroup

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- The Workgroup shall consider and report on the following specific issues:
  - Proposals for consultation at Commission / ACER / ENTSO-E level and identify gaps in engagement from a GB stakeholder perspective;
  - Whether the CUSC Modifications Panel should write to the European Commission, outlining any shortfalls in stakeholder engagement, to the extent these could be improved within the restrictions of the third package;
  - Suitability of the proposed obligations on National Grid (as set out in CMP191 in relation to whether:
    - They better meet relevant licence requirements; they are legally permissible; they are reasonably workable.
  - The role of other GB TSOs at ENTSO-E level; whether these differ from National Grid; whether other GB TSOs should have any obligations and if these could be met via the CUSC;
  - Whether GB stakeholder engagement via National Grid at a European level will have sufficient influence in the European decision-making process to satisfy individual stakeholders' requirements;



## Proposed Timetable

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25 <sup>th</sup> February 2011	CUSC Modifications Panel Meeting
11 <sup>th</sup> March 2011	First CMP191 Workgroup meeting
w/c 21 <sup>st</sup> March 2011	Second Workgroup meeting
w/c 4 <sup>th</sup> April 2011	Third Workgroup meeting (if required)
8 <sup>th</sup> April 2011	Issue draft Workgroup Consultation for Workgroup comment (5 working days)
15 <sup>th</sup> April 2011	Deadline for comments on draft Workgroup Consultation
19 <sup>th</sup> April 2011	Publish Workgroup Consultation (for three weeks)
16 <sup>th</sup> May 2011	Deadline for responses to Workgroup consultation
23 <sup>rd</sup> May 2011	Post-consultation Workgroup meeting
6 <sup>th</sup> June 2011	Circulate draft Workgroup Report for comment (5 WD)
13 <sup>th</sup> June 2011	Deadline for comment on Workgroup report
15 <sup>th</sup> June 2011	Submit final Workgroup report to Panel Secretary
24 <sup>th</sup> June 2011	Present Workgroup report to CUSC Modifications Panel