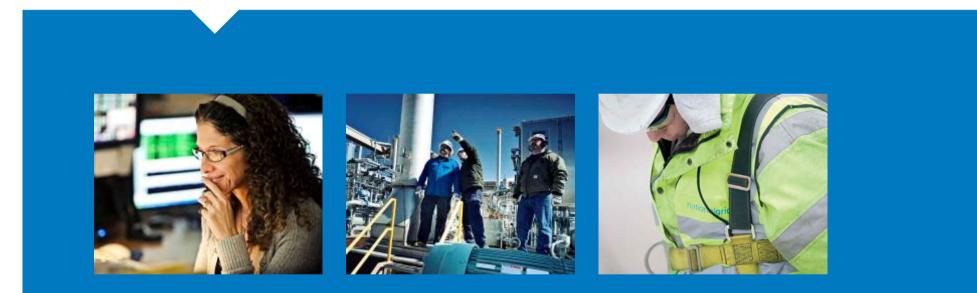


CMP196 Revisions to "recommendations" in the final CUSC Modification Report: Panel Recommendation Vote



CUSC Modifications Panel, 29th July 2011 Alex Thomason, CMP196 Workgroup Chair

CMP196: Removal of "Recommendations" national grid in final CUSC Modifications Report

- Raised by National Grid Electricity Transmission on 24th March 2011
- Raised on behalf of CAP190 Workgroup following QC advice and DECC correspondence
- Workgroup held 2 consultations in April and May 2011



CMP196: Defect & Solution

- CMP196 seeks to ensure existing rights of appeal to the Competition Commission are maintained
 - Statutory Instrument wording refers to "recommendation" in Amendment Report
 - Multiple "recommendations" could exist
- CMP196 removes references to "recommendation" other than CUSC Modifications Panel recommendation
 - Other "recommendations" will remain in essence, but have different names



Workgroup conclusion

- 4 responses received to first Workgroup Consultation
 - All supportive of CMP196
- 5 responses to second Workgroup Consultation
 - All supportive of CMP196
- Unanimous decision by Workgroup that CMP196 better facilitates Applicable CUSC Objective (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.



Code Administrator consultation

- 5 responses to the Code Administrator Consultation
 - All supportive of CMP196
 - Reiterated consistency issue between BSC and CUSC processes



National Grid Recommendation

- National Grid believes CMP196 better facilitates Applicable CUSC Objectives (a) and (b) and so should be implemented
- (a) the efficient discharge by the licensee of the obligations imposed upon it under the Act and by this licence; and
 - CMP196 clarifies terminology in the CUSC, reduces the potential for confusion, thereby enhancing efficiency
- (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
 - CMP196 removes potential barrier to right of appeal to Competition Commission



Panel Recommendation Vote

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