

Minutes

Meeting name	CUSC Governance Standing Group (GSG)
Date of meeting	12 th February 2016
Location	Teleconference

Attendees

Name	Initials	Position
Garth Graham	GG	Chair
Chrissie Brown	CB	Technical Secretary
Jade Clarke	JC	Code Administrator
Angela Quinn	AQ	National Grid Legal team
Cem Suleyman	CS	Drax Power
Abid Sheikh	AS	Ofgem
Claire Kerr	CK	Elexon

Apologies

Name	Initials	Position
Robert Longden	RL	Mainstream Renewable Power
Esther Sutton	ES	EON – Maternity leave

All presentations and supporting papers given at the GSG meeting can be found at: <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/workingstandinggroups/gsg/>

1 Introductions/Apologies for Absence

1. GG noted that Robert Longden and Esther Sutton had sent their apologies for the meeting.

2 Minutes from last meeting

2. Minutes were approved subject to changes and are available on the National Grid website.

3 Review of Actions – Amalgamation guidance note

3. JC explained to the Group that she has drafted an Amalgamation Guidance note and asked if there were any comments on it. GG thanks JC for her work on the note. JC also noted that she had added some working around the scheduling of Workgroup meetings and that should they be held on the same day that it is more beneficial to have one modification discussed followed by the other rather than discussing both at the same time. GG and AS agreed that being as flexible as possible with the arrangements on the day was good. GG asked for some small changes to be made to the wording to make the note consistent with that of the Workgroup chair role outline.

4 Review of Actions – Role outlines update

4. The Group discussed the role outlines. It was noted that it the Workgroup need to know who the National Grid representative is, the Chair and also the Technical Secretary and these should be made clear at the beginning of each meeting. In

addition the Group discussed the observer wording and made some changes to the text.

5. The Group looked at the Chair outline and discussed the wording used. AS raised some concerns around the word 'approved' being used as the Panel do not approve modifications, it was suggested that develop and deliver be used instead.

Action: AS to send through wording to be used for Chair Role outline

6 Review of Actions – Disputes Open letter re-draft

6. Action not yet complete so carried over to be updated at next GSG in May 2016.

7 Workgroup Chair guidance note on Implementation timescales in WACMs

7. JC noted that National Grid produced a paper on this topic for the CUSC Panel which the GSG was asked to look at. JC advised the Group that she had drafted an advisory note on this which has been drafted from the note that was produced by National Grid. She stated that it outlines guidance around this and that discretion should be used but that it needs to be clear as to why they have been added to the report.
8. GG requested that the word 'recommends' is not to be used in the note. He advised the Group that there were some legality questions around the word recommend. He stated that the Workgroup would conclude and only that the Panel would recommend. He advised that the Code Administrator should ensure that when the Workgroup Report develops into a Draft Final Modification Report that the word should change.

Action: JC/CB to speak to AQ around this to seek clarity on the use of the wording in the reports.

9. GG explained that the broad understanding is that the dates chosen by the Workgroup are ten working days from the Authority decision/Panel decision or the next charging year when working on charging modifications. The Group stated that discretion can be used as the workgroup state as to why different timescales are required. It was also noted that the timescales are beneficial when assessing the modification against the applicable CUSC objectives. The Group agreed that as it was guidance to leave the final decision on this to be left with each individual workgroup.

8 Electricity Arbitration funding

10. AQ explained to the Group that the Electricity Arbitration is owned and controlled the industry. She stated its sole function is to appoint an arbitrator in a dispute and that they keep a list of them should anyone want to use the service. AQ went onto state that the role of the Arbitration, the cost for this service and its purpose are in the hands of the members of the Association which National Grid and other parties represented at the GSG are part of. She stated that there are representatives from supply, transmission, distribution and the annual cost goes through Elexon. AQ noted that the cost of this service was not a large amount as the main costs are for the website and secretarial support. It was additionally notes that the meetings are held annually.
11. AQ asked the Group what concerns they have with the Arbitration and GG stated that the main concern was the cost to industry and their role. AQ proposed that the best way forward would be to have the discussion with the Arbitration themselves. AQ stated that her impression was that it was not largely used but that should we want to

discuss their role and how efficiently they work that this can be done. GG questioned whether AQ had any representatives contact details so the Group could speak to them. GG stated that the Arbitration has been in place for fifteen years or more and that a large amount of funds have been spent on this service and questioned whether the service is still required now. He also questioned whether the industry is getting value for money and whether an independent body would be better. In addition he stated that this would not cost as much as its currently does.

12. AQ noted that the Association is there to maintain the rules and govern the Arbitration. She stated in addition that how much they want to pay for this service it is up to the members of the Association to decide. AQ suggested that the Group get in touch with the members and discuss the future role, cost and purpose and that a decision could then be made on the way forward and this could then be reflected in an amendment to the codes if appropriate in the future.

Action: AQ to get representative details and pass to GSG members to follow up on

9 Applicable CUSC Objectives causing separate modifications for same defect

13. GG noted that the issue is when there is a charging and non-charging modification that need raising due to them being assessed against the two separate applicable objectives. A recent example of this is CMP244 and CMP256 that was subsequently raised as it was a non-charging change that was required as a result of the charging modification changes. GG questioned what could be done to assist in making the process work better for Industry parties that have charging and no-charging modifications that are required.
14. JC stated that it would be beneficial to raise one CUSC modification rather than two but questioned whether the Authority would have to then accept or reject the modification as a whole. GG stated that when you look at the modifications logically that the 'core' change to the CUSC would be the charging changes as they are the main aim of the modification and that the non-charging changes would be secondary. This would mean that it would be unlikely that the secondary changes, even if raised as a new modification would not be approved without the 'core' changes to Section 14 of the CUSC.
15. AS noted that there has always been a distinction between the two set of objectives, that these cannot be amended and stand as being appropriate. The Group noted that on occasions the proposer of a charging modification would have only thought about the charging amendments to the CUSC and that the consequential secondary changes are not thought about until the workgroup has developed the modification.
16. It was suggested that the Code Administrator could play a bigger part in working with the proposer to look at any other impacts of their modification across the CUSC as a whole. It was noted that this maybe simple with some modifications but there would be some that do not come to light until the workgroup have developed the modification and example of this could be new definitions.
17. It was noted by AS that should the charging and non-charging modifications be amalgamated this puts the Authority in a difficult position as the charging changes may be approved but should there be an issue with the non-charging wording this would then cause an issue. It was suggested that the process should be as flexible as possible and that in principle that the proposer can come forward with the primary charging changes that are required but that flexibility on the non-charging changes is required and that they could be added later on in the process.

18. It was suggested that a note be circulated to the Panel with the pros and cons for each option, keeping it as it is today and adding in another option of raising one single modification at the start of the process for charging and non-charging amendments to the CUSC. In addition it was suggested that for the non-charging objectives that they could be numbered 1, 2 and 3 to avoid any confusion. It was noted again that the Code Administrator would play a key role in assisting the proposer in identifying any other impacted non-charging areas of the CUSC.

19. It was agreed that the process needs to be as flexible as possible.

Action: JC to circulate initial draft of paper for March CUSC Panel

10 Any other business

20. No AOB was raised.

10 Next Meeting

21. The group discussed the timescales for the next meeting and agreed that actions could be completed by email ahead of the next meeting. The next meeting will be held in May 2016.

