

## Minutes

<b>Meeting name</b>	CUSC Governance Standing Group (GSG)
<b>Date of meeting</b>	25 <sup>th</sup> June 2015
<b>Location</b>	National Grid House, Warwick & Via Teleconference

## Attendees

<b>Name</b>	<b>Initials</b>	<b>Position</b>
Garth Graham	GG	Chair
Chrissie Brown	CB	Technical Secretary
Jade Clarke	JC	Code Administrator
Stuart Cotton	SC	Drax Power
Robert Longden	RL	Mainstream Renewable Power
Claire Kerr	CK	Elexon

## Apologies

<b>Name</b>	<b>Initials</b>	<b>Position</b>
Esther Sutton	ES	E.ON
Steven Eyre	SE	EDF Energy - Resigned
Abid Sheikh	AS	Ofgem

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. Apologies were received from AS. CB informed the group that Steven Eyre has resigned. Apologies also received from Esther Sutton as she is on maternity leave. CB circulated an email to Industry inviting new membership following recommendation to do so from the CUSC Panel. CB noted that no further members have come forward.

## 2 Minutes from last meeting

2. The last meeting was held on the 7<sup>th</sup> of June 2013 and the minutes are online further to email approval following the meeting.

## 3 Review of Actions

3. There were no actions to review in the meeting.

## 4 Disputes process

4. JC noted that this agenda item was added by the CUSC Panel to be discussed by the group due to CMP235/6. JC stated that the CMP235/6 Workgroup had questioned why the CUSC dispute process was not used in the instance raised by the Proposer. JC stated that the Workgroup wanted to know whether this could be

more useful. JC informed the group that the action has been brought to GSG to see if any improvements/changes could be made to the disputes process.

5. GG stated that he knew of one company that has been using this disputes process for the BSC and that there was a concern that it was not clear to parties that we do not get anything at all from this. GG added that parties have expressed concern that we are appearing to fund something that does not work or we don't need.
6. GG noted that the disputes procedure in the CUSC appears to need redrafting to make simple and independent of the industry according to concerns expressed from some parties. GG suggested that the process could for example stand as it is but an arbitrator could be appointed by mutual agreement of both parties but if they could not agree on an arbitrator then the president of arbitrators could appoint. This would mean that they were truly independent.
7. GG noted that companies have not appeared to use the CUSC disputes process but that there are often small disputes occurring but that they are not formalised. In addition it was noted that companies have the option to take disputes to Ofgem but that this is rarely done. GG stated that the disputes process has been in place for around fifteen years and that perhaps it needs refreshing now and questioned if there is another way of doing this.
8. GG asked the group for their thoughts and views on the CUSC disputes process. RL noted that when the disputes process was written parties were more confrontational than today. GG expanded by noting that disputes are generally more often commercial matters, rather than electrical technical disputes..
9. JC asked the group how and when the CUSC disputes process was written. GG explained that he was not directly involved as it pre dated NETA but that he would look into the history of the process and come back to the group.
10. GG suggested that the group could circulate an Open Letter detailing the concern with the CUSC disputes process and that the group is open to suggestions on the way forward. GG added that a fair process needs to be in place and that this is in the CUSC and all that would be needed would be the independent body plus a simple but fair process easily available to all. GG suggested that two to three weeks could be given to appoint an arbitrator and that The Panel Secretary could ensure that they would get an independent party.
11. RL stated that the Open Letter would need to set out the background and why it needs to be reviewed. RL added that it would also need to set out the concerns and current process. CK agreed that the suggested approach was a good way forward. JC also agreed and added that she had not heard the issue voiced in other forums and therefore is unclear as to how much of a need for change there is. GG added that the issue is not currently widely spoken about.

**Actions: JC to circulate draft Open letter to Group for comment ahead of next GSG meeting in September 2015. GG to email group with the history with regards to the dispute process.**

## 5 Amalgamation of modifications

12. JC noted that a post Workgroup review that was carried out for CMP235/6 highlighted amalgamations and the fact that the Proposer did not want his modifications to be amalgamated. JC stated that the Panel wanted this to occur due to efficiency reasons with the Workgroup, Report and Legal text. JC stated that the

amalgamation lead to confusion in the Workgroup going forward, as the paper had to be separated and as a result, this meant extra WACMs to implement the modifications separately. JC continued to explain that this complicated the process even though the initial intention of the amalgamation was for the process to be more efficient. JC questioned what the reasons for amalgamation should be and how efficient it is in practice.

13. SC questioned if the modifications were raised by different parties or the same. GG confirmed that they were raised by the same party and that the initial ownership was fine. GG noted that the problem at the Panel was the Legal text as they could only change the baseline once when making the modification and as the draft Legal text from both modification was similar, amalgamation would be required. GG went onto explain that the Panel debated the issue for a period of time but that there was a concern around the Legal text. GG noted that the text would have conflicted if both had been approved as proposed.
14. RL noted that there is a benefit in reducing workload or allowing an issue to get over a certain hurdle but that there seems to be a lot of twists and turns in the process too. RL stated that amalgamation means that when there are similar modifications, duplication of work can be avoided.
15. RL stated that the Panel should look at the rounded processes and not just efficiency. JC agreed that this would be good and noted that within CMP235/6 the Panel recommended that they had two extra WACMs to separate the modifications to allow the Authority to implement only one if they wanted to. However, this could have resulted in the Workgroup having multiple WACMs if alternatives to the Original solution are suggested. JC therefore suggested this was not an efficient process.
16. GG asked CK how the process works for the BSC. CK noted that efficiency is important and that on P314 they could use this information and analysis that had already been carried out for P304. GG noted that RL had noted the analysis done on CMP227 but that amalgamation happens much earlier in the process. GG questioned subsequent modifications being raised and holding modifications already raised back.
17. GG summarised and suggested one of the ways forward would be to amend the wording in the CUSC to reflect that the Panel should take into consideration the impact and efficiencies as there maybe situations where the Panel think they just have to run with efficiencies.

**Action: JC/CB to progress the amendment of the CUSC to incorporate wording to reflect wider picture with regards to efficiencies for the Panel to consider when amalgamating modifications.**

## 6 Workgroup role member outline

18. JC stated that this issue was also picked up in the post Workgroup review for CMP235/6. JC stated that there was a question as to whether the correct Workgroup members with the experience and knowledge of the Grid Code had been appointed or nominated. JC explained that as a result of this lack of knowledge someone had to observe a Workgroup meeting that had the required knowledge. JC noted that sometimes the Code Administration team do have trouble getting members for quorum, let alone the right knowledge for the Workgroup and questioned whether introducing a role member outline would restrict the number of nominations that they

receive. JC noted that she thought in some instances it could work too and sought views from the group.

19. SC stated that when forming a Workgroup the Chair is in place at the start. SC stated that the Chair should have input if there are not enough members and should look at how to get the expertise if needed. JC stated that the Code Administrator could extend nominations if needed, and that if they did not get any further nominations that they would have to go back to the Panel. CK noted that the BSC struggle sometimes and are just quorate but that this was not an issue.
20. JC stated that the Code Governance team at National Grid had been carrying out some work on the 'Voice of the Customer' and had recently sent out a survey to Workgroup members who have attended Workgroups in the last six months. JC stated that of the questions asked, almost seventy percent of the respondents stated that they would find it useful to have a Workgroup member outline. JC added that the team haven't made any decisions on this as of yet and are currently looking at internal processes.
21. RL noted that when a CUSC Modification is raised he would know the expertise that would be needed by looking at the Modification. GG asked JC whether she had any suggestions on the way forward. JC noted that Bali Virk [a colleague who used to be involved with CUSC Code Governance] stated they used to have role outlines in place and will look at how it was done and as to why it was stopped.

**Action: JC to look at history of role member outlines and report back to next GSG meeting.**

## 8 Voting Process

22. JC noted that this agenda item has been brought to the GSG as a result of the CMP235/6 Workgroup review and the amount of WACMs developed by a Workgroup. JC stated that there were five alternatives due to amalgamation, otherwise there would have only been one alternative. JC stated that this resulted in the voting being confusing. JC added that the one alternative was raised in the final meeting and that this had resulted in three WACMs. JC noted that the Workgroup then voted after lunch and that following the Workgroup meeting, she sent around the recorded vote for additional comments. JC explained that she then had requests for clarification of the WACMs and that not everyone fully understood them. JC added that during the post Workgroup review it was questioned as to whether it was appropriate to vote on the same day as alternatives coming forward. JC suggested that the vote could alternatively be held by teleconference or whether it could be held by email and sought the views of the group.
23. SC noted that Workgroup members have to understand that they are responsible and that if they were not comfortable then it should not have got to the voting process at all. GG stated that he agreed with what SC had said and that Workgroup members should make it known in the meeting if they do not wish to vote. GG also stated that other methods could be utilised. GG suggested that the TOR could be adapted to incorporate some guidance for Workgroup members for if they have any concerns around the voting process.
24. SC stated that late alternatives should be able to be brought forward and that they are often slight variations on the implementation dates and that Workgroup members should state should they feel that they are not able to vote. GG added that

alternatives that are brought forward are not often those that have not been discussed previously. GG noted that these are not often 'left field' and are often slight changes on items well deliberated upon by the Workgroup previously.

25. JC noted that on occasion Workgroup members have asked to change their votes after the vote meeting. GG stated that when a member is voting that they have all the information that they need in the room and that he would be reluctant to allow Workgroup members to change their vote should they request to do so following the meeting. GG went onto question that if you do allow this to happen then when do you draw the cut off point for this to be allowed; i.e. how many days after the Workgroup meeting. RL noted that he thought that this should only be done should there have been a material change to the information that was held in the meeting.
26. JC agreed that there is a need to be more strict with regards to the vote and that should any Workgroup member feel that they have changed their view that they could express this by responding to the Industry Consultation should they want to. JC noted that being stricter with regards to this should lead to Workgroup members letting the Workgroup know should they not be comfortable with voting within the meeting. SC agreed with this.
27. CK informed the Group that for the BSC it is more straight forward as there is only ever one alternative. CK added that there would have to be a very good reason to change their vote as their comments would be captured at every meeting.
28. GG suggested that the way forward could be for the Terms of Reference to be amended to reflect guidance for concerns when voting. GG added that the only way a Workgroup members' vote should be able to be amended after the vote meeting is if the Chair seeks to reconvene the entire Workgroup membership to re vote due to something material coming to light and stated that this should be extremely rare.

**Action: JC to circulate draft TOR to the GSG Group ahead of next GSG meeting.**

## **9 Any other business**

29. GG noted Ofgem's Open letter on Code Governance and suggested that this be discussed along with the CMA findings and suggested solutions at the next meeting.

## **10 Next Meeting**

30. The Group agreed that they would liaise by email on the actions to be taken and would hold the next meeting in September 2015.