

Minutes

Meeting name	CUSC Governance Standing Group (GSG)
Date of meeting	26 th January 2012
Location	National Grid House, Warwick & Via Teleconference

Attendees

Name	Initials	Position
Garth Graham	GG	Chair
Louise McGoldrick	LM	Technical Secretary
Alex Thomason	AT	National Grid Electricity Transmission
Emma Clark	EC	National Grid Electricity Transmission
Jade Clarke	JC	National Grid Electricity Transmission (Observer)
Barbara Vest	BVe	Association of Electricity Producers
Esther Sutton	ES	E.ON - via teleconference
Stuart Cotten	SC	Drax Power - via teleconference
Steven Eyre	SE	EDF Energy - via teleconference
Robert Longden	RL	Mainstream Renewal Power

Apologies

Name	Initials	Position
Abid Sheikh	AS	Ofgem
Bali Virk	BV	National Grid Electricity Transmission
Kathryn Coffin	KC	ELEXON

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

666. Apologies were received from AS, BV, and KC.

2 Approval of Minutes from the last meeting

667. The draft GSG minutes from the meeting held on 24th November 2011 were approved.

Action: GSG minutes to be published on the National Grid website.

3 Review of Actions

668. **Minute 646:** Issues associated with the applicability and relevance and operation of the post implementation evaluations – Ofgem to take forward as an agenda item for the Code Administrators Code of Practice Review Meeting. GG mentioned that a post implementation evaluation was potentially going to be completed for the electricity cash-out review and stated that targets should be set early on in the process rather than retrospectively.

669. **Minute 653:** Discuss the responses to the GSG Travel Expenses Consultation.
Action: Agenda Item 4.

668. All other outstanding actions were completed.

4 Discuss the GSG Travel Expenses Consultation

669. AT confirmed that the consultation for the CUSC Governance Standing Group (GSG) "Consultation for Payment of travel expenses to CUSC Modifications Panel Members and Workgroup/Standing Group Members" had closed on the 20th January. Six responses had been received and the responses and a summary document had been circulated to the GSG members.
670. GSG members reviewed the responses and summary document with a view to putting forward a recommendation for the CUSC Panel meeting to be held on the 27th January 2012. The following sections summarise the debate.
671. The GSG agreed that impartiality is difficult to measure. BSC Workgroup members are already required to sign a letter that members will act impartially and it is the role of the chair to ensure that parties are demonstrating impartiality. GG confirmed that, in the past, BSC Workgroup members have been reminded that they should be acting impartially and mentioned instances where a member has voted against their own company position. RL suggested that similar remedies may be needed to address those who are not seen to be aiding the process or are not acting impartially. AT reminded GSG that the current CUSC obligations for Workgroups already enable the Chair to remove a Workgroup member from a Workgroup if they are considered to be disruptive. SC and BVe commented on the importance of gaining the individuals range of knowledge and experience at a Workgroup/Standing Group in order to establish a balanced view. The GSG confirmed that impartiality didn't prevent individuals from putting forward a company view but the individuals vote would need to be impartial with any decision being justified against the CUSC relevant objectives.
672. GG also mentioned that a Workgroup member may wish to change their status to an observer and therefore no expenses would be paid.
673. AT noted that the Code Administrator had tried to engage smaller parties in the GSG's consultation by using wider industry distribution lists but no additional responses had been received. GSG members commented that small parties may be constrained by time and availability of staff. Meeting attendance is probably prioritised according to the issues being raised and the relevance to their company rather than whether travel expenses are being paid.
674. AT confirmed the reasons why National Grid Electricity Transmission (NGET) had stated that they are neutral to the payment of travel expenses. AT stated that neither discussions at the GSG nor responses to the consultation confirmed that paying travel expenses would encourage a broader participation at CUSC Workgroup/Standing Groups. GG considered that payment of expenses may mean small participants would attend CUSC Workgroup/Standing Group meetings and suggested contacting some smaller parties to ask. AT agreed to contact some small parties to obtain a view on payment of travel expenses and the requirement to be impartial. The GSG noted that it would be difficult to compare participation in Workgroups across the codes to evaluate whether expenses encouraged greater participation. One argument put forward was that some modifications would be seen as being more contentious than others, which in itself may encourage greater participation (e.g. CUSC CMP192 would probably attract a greater level of participation than a self-governance modification under the BSC).

Action: AT to contact small parties

675. GSG had a general discussion on what was considered to be “reasonable” travel expenses, the role of the Code Administrator and how impartiality could be introduced into the Terms of Reference for Workgroups and Standing Groups. During this debate there was agreement that it would not be appropriate to extend the payment of expenses to other forums such as the Transmission Charging Methodologies forum (TCMF). The GSG were in agreement that the “administration” of expenses by the Code Administrator should not be put into the CUSC but considered a guidance note may be needed. In addition the GSG considered that following a review of the responses it wasn’t necessary for the Code Administration Code of Practise to cover payment of travel expenses.
676. GSG discussed the current CUSC provision of 8.12.2 and confirmed that any further clarity would potentially be included as part of a package of changes to implement payment of Travel expenses to CUSC Panel Members and Workgroup/Standing Group members.
677. In summary, the GSG agreed to recommend to the CUSC Panel that a modification should be raised to the CUSC to align the CUSC with the BSC in terms of impartiality and reasonable payment of expenses via the Code Administrator with the recovery of costs through TNUoS charges or some other cost recovery mechanism. AT noted that National Grid would need to be satisfied that the costs could be recovered before supporting such a Modification Proposal.

5. Any Other Business

678. AT confirmed that the new CUSC Panel chairman, Mike Toms, will commence his role on the 1st February but will be attending the CUSC Panel meeting on the 27th January 2012 as an observer and that initial Code Administrator training had been completed.

6. Next Meeting

679. The next GSG meeting will be held on 26th April 2012.