

CUSC Amendment Proposal Form	CAPXXX
Title of Amendment Proposal:	
Amendments to the CUSC Governance Process.	
Description of the Proposed Amendment (mandatory by proposer):	
<p>This Amendment Proposal seeks to change five areas of the CUSC amendment process with the aim of improving the existing processes and extending rights to non-CUSC parties in certain areas in order to facilitate greater transparency and participation from the wider industry. The five areas are summarised below:</p> <ol style="list-style-type: none"> I. Extend the right to raise a Working Group Consultation Alternative Request to ALL interested parties*. II. Create the right for all interested parties to nominate themselves to be a Working Group member as opposed to requiring a nomination through a CUSC Party. III. Clarify the existing CUSC provision in paragraph 8.6.5 on voting rights of alternates. This will help to clarify how an alternate should vote when they cast a vote which is transferred from the Panel Member they are representing. IV. Amend the CUSC to enable only a Working Group Chairman** to invite a Working Group observer to speak, from both Working Group members and the Chairman having the right to invite an observer to speak. V. Amend the CUSC to allow all interested parties* to attend a Working Group meeting as an observer. <p><i>* For the purpose of this paper an interested party is defined as anyone who has an interest in any aspect of an Amendment Proposal regardless of whether they are a CUSC Party and/or have been invited by a CUSC Party to participate in a Working Group.</i></p> <p><i>** Where the text refers to a Chairman, the term is also applicable to a 'Chairwoman'.</i></p>	
Description of Issue or Defect that Proposed Amendment seeks to Address (mandatory by proposer):	
<p>The proposed amendment spans a number of areas of the CUSC amendment process and seeks to improve the process with the aim of improving transparency and best practice and encouraging participation from a wider audience of experts. The issues covered in this Amendment Proposal were raised and discussed in the Governance Standing Group (GSG) meeting on 29th October 2009.</p> <ol style="list-style-type: none"> I. Extending the right to raise a Working Group Consultation Alternative Request (WGCAR) to ALL interested parties. According to paragraph 8.17.13 of the CUSC, only a CUSC Party is able to request a Working Group Consultation Alternative Request (WGCAR). A WGCAR is a request for a further Working Group Alternative to be raised as alternative to the original Amendment Proposal or any other Working Group Alternative Amendments. The request results from a Working Group Consultation process. The GSG agreed to allow ALL interested parties the right to raise a WGCAR. It is intended that the change would help to encourage participation from a wider audience thereby increasing transparency as well as opportunity for innovation in discussing and designing solutions. The GSG feels that the process should be open to all good ideas regardless of who they come from. In some instances these ideas may not materialise until after the consultation stage so this amendment looks to extend the right for interested parties to submit these ideas thereby aligning the treatment of non-CUSC Parties with CUSC Parties in this specific area. II. Create the right for any interested party to nominate themselves to be a Working Group member Currently the Amendments Panel can only select a member to join a Working Group if they have been nominated by a CUSC Party. In some instances there may be parties who have a vested interest in an Amendment Proposal and wish to join a Working Group but are unable to do so 	

because they are unable or do not wish to obtain the necessary nomination by another CUSC Party. As Working Group members are not required to act impartially, where a member is nominated by a CUSC Party, such member could be expected to represent the views of the CUSC party who provided the nomination. This does not facilitate the involvement of "independent" Working Group members.

This Amendment Proposal looks to enable the Amendments Panel to select Working Group members who put themselves forward for nomination to become Working Group members. This change would help facilitate wider representation of industry players to become potential participants in the CUSC amendment process as well as improve transparency and innovation in generating ideas and discussion.

III. Clarify the existing CUSC provisions on voting rights of alternates. This will help to clarify how an alternate should vote when they cast a vote transferred from a Panel Member

A CUSC Panel Member can be represented by an alternate if they are unable to attend an Amendments Panel meeting. Where a Panel Member chooses to nominate an alternate, the alternate has the right to 'attend, speak and vote at any meeting of the Amendments Panel' as per CUSC section 8.6.5(a)(i) where the appointing Panel Member is not present. An alternate is only able to vote if the appointing Panel Member passes on their vote, unless the alternate is a Panel Member themselves. The provisions within the CUSC do not specify how an alternate should cast their vote when representing an absent Panel Member. This proposal will provide clarification that the alternate should vote as they see fit based on the information presented before and during the Panel Meeting at which the votes are cast, and not solely as instructed by the absent Panel Member they are representing, thereby avoiding any confusion and delivering consistency in the voting process.

IV. Amendment to allow only a Working Group chairman to invite a Working Group observer to speak

CUSC section 18.17.19 has provisions to enable both the chairman and members of a Working Group to invite an observer to speak at a meeting. This part of the Amendment Proposal will bring about a change that will only allow the chairman of a Working Group to invite an observer to speak. As the chairman is impartial it is felt that they would be better placed in making a decision to invite an observer to speak as well as providing the chairman with control to better manage and facilitate the meeting. This amendment aims to facilitate efficiencies in the amendment process and align this with current best practice.

V. Extending the right for all interested parties to observe at a Working Group meeting

Currently only parties to the CUSC and Balancing and Settlements Code, representatives from the National Consumer Council and anyone invited by the Working Group chairman or a Working Group member are able to attend Working Group meetings as an observer. In line with the issue raised in point III, this Amendment Proposal seeks to allow all interested parties to observe without an explicit invitation. This will help towards improving transparency and participation from the wider industry. In support of this proposal, it is noted that the CUSC Amendments Panel is an 'open discussion' forum with meeting discussions being documented in minutes which are published on the National Grid website along with supporting documents. This amendment re-enforces this message by providing an additional channel to obtain information.

Impact on the CUSC *(this should be given where possible):*

Initial assessment suggests amendment would be required to the following areas of the CUSC:

8.6.2-8.6.5, 8.17.3, 8.17.13 and 8.17.9.

Impact on Core Industry Documentation *(this should be given where possible):*

None

Impact on Computer Systems and Processes used by CUSC Parties *(this should be given where possible):*

None

Details of any Related Modifications to Other Industry Codes (where known):

None

Justification for Proposed Amendment with Reference to Applicable CUSC Objectives**
(mandatory by proposer):

The Proposed Amendment would better facilitate the achievement of the Applicable CUSC Objective contained within the Transmission Licence, as follows:

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

- III. Clarify the existing CUSC provision 8.6.5 on voting rights of alternates: This will aid the achievement of the above objective by providing greater clarity on the voting process for an alternate who has inherited a vote from the Panel Member they are acting on behalf of. In doing so the proposed amendment will achieve consistency in the voting process.
- IV. Amend the CUSC to enable only a Working Group Chair to invite a Working Group Observer to speak: This will aid the efficient discharge by the licensee of its obligations by providing greater control for the chairman to manage and facilitate a Working Group Meeting.

In addition, all elements of this Amendment Proposal would better facilitate the licence objective not to discriminate between classes of users.

(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,

- I. Extend the right to raise a Working Group Alternative Consultation (WGCAR) Request to ALL interested parties*: This will achieve the above objective by enabling a wider audience (CUSC and non-CUSC parties) to raise a WGCAR by aligning treatment of CUSC and non-CUSC parties in this area. The amendment will also enable a greater number of alternate solutions from a wider range of expertise who may otherwise be excluded from the process.
- II. Create the right for all interested parties to self-nominate to be a Working Group member as opposed to being nominated by a CUSC Party: This helps to achieve the above objective by enabling non-CUSC parties to nominate themselves without the need to seek a nomination from a CUSC Party which could otherwise form a barrier to participation. If successful this proposal will aid greater variety of industry representatives and experts for the Amendment Panel to select from when forming a Working Group who otherwise could be excluded.
- V. Amend the CUSC to allow all interested parties* to attend a Working Group meeting as an observer: This will help to facilitate the above objective by providing a channel for non-CUSC parties to participate in the Working Group process, thereby encouraging participation from a wider audience of experts who may otherwise be limited in information.

Details of Proposer: Organisation's Name:	National Grid
Capacity in which the Amendment is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	CUSC Party
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	Bushra Akhtar National Grid 01926 65223 Bushra.akhtar@uk.ngrid.com
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	Alex Thomason National Grid 01926 656379 Alex.thomason@uk.ngrid.com
Attachments (Yes/No): No	

Notes:

1. Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the Amendments Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.
2. The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Panel Secretary will inform the Proposer.

The completed form should be returned to:

Bali Virk
Commercial
National Grid
National Grid House
Warwick Technology Park
Gallows Hill
Warwick
CV34 6DA

Or via e-mail to: Bali.Virk@uk.ngrid.com

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer that is a CUSC Party shall be deemed to have granted this Licence).

3. Applicable CUSC Objectives** - These are defined within the National Grid Electricity Transmission plc Licence under Standard Condition C10, paragraph 1. Reference should be made to this section when considering a proposed amendment.