

Working Group Terms of Reference and Membership

TERMS OF REFERENCE FOR CAP146 WORKING GROUP

RESPONSIBILITIES

1. The Working Group is responsible for assisting the CUSC Amendments Panel in the evaluation of CUSC Amendment Proposal CAP146 tabled by E.ON UK plc at the Amendments Panel meeting on 26 January 2007.
2. The proposal must be evaluated to consider whether it better facilitates achievement of the applicable CUSC objectives. These can be summarised as follows:
 - (a) the efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission 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.
3. It should be noted that additional provisions apply where it is proposed to modify the CUSC amendment provisions, and generally reference should be made to the Transmission Licence for the full definition of the term.

SCOPE OF WORK

4. The Working Group must consider the issues raised by the Amendment Proposal and consider if the proposal identified better facilitates achievement of the Applicable CUSC Objectives.
5. In addition to the overriding requirement of paragraph 4, the Working Group shall consider and report on the following specific issues:
 - The definition of Third Party Works: what does/should TPW cover?
 - The size and scope of the problem: how many of the current proposed generation projects may be liable for TPW - what is the total financial impact?
 - What effect does clustering have on individual project TPW costs?
 - How are/should TPW costs (be) recovered? Is this a CUSC or a charging statement issue?
How should the original / alternatives be implemented and how will the transition period be managed?
6. The Working Group is responsible for the formulation and evaluation of any Working Group Alternative Amendments (WGAAAs) arising from Group discussions which would, as compared with the Amendment Proposal, better facilitate achieving the applicable CUSC objectives in relation to the issue or defect identified.
7. The Working Group should become conversant with the definition of Working Group Alternative Amendments which appears in Section 11 (Interpretation and Definitions) of the CUSC. The definition entitles the Group and/or an individual Member of the Working Group to put forward a Working Group

Alternative Amendment if the Member(s) genuinely believes the Alternative would better facilitate the achievement of the Applicable CUSC Objectives. The extent of the support for the Amendment Proposal or any Working Group Alternative Amendment arising from the Working Group's discussions should be clearly described in the final Working Group Report to the CUSC Amendments Panel.

8. The Working Group is to submit their final report to the CUSC Panel Secretary on 19 April 2007 for circulation to Panel Members. The conclusions will be presented to the CUSC Panel meeting on 27 April 2007.

MEMBERSHIP

9. It is recommended that the Working Group has the following members:

Chair	Tony Diccio
National Grid	Emma Carr Andy Balkwill
Industry Representatives	Alan Creighton John Morris Simon Lord Robert Longden Kirsten Elliott-Smith Paul Jones David Scott John Norbury STC Member (TBC) Mark Manley
Authority Representative	Mark Copley
Technical Secretary	Bali Virk

[NB: Working Group must comprise at least 5 Members (who may be Panel Members) and will be selected by the Panel with regard to WG List held by the Secretary]

10. The membership can be amended from time to time by the CUSC Amendments Panel.

RELATIONSHIP WITH AMENDMENTS PANEL

11. The Working Group shall seek the views of the Amendments Panel before taking on any significant amount of work. In this event the Working Group Chairman should contact the CUSC Panel Secretary.
12. Where the Working Group requires instruction, clarification or guidance from the Amendments Panel, particularly in relation to their Scope of Work, the Working Group Chairman should contact the CUSC Panel Secretary.

MEETINGS

13. The Working Group shall, unless determined otherwise by the Amendments Panel, develop and adopt its own internal working procedures and provide a copy to the Panel Secretary for each of its Amendment Proposals.

REPORTING

14. The Working Group Chairman shall prepare a final report to the April 2007 Panel, Amendments Panel responding to the matter set out in the Terms of Reference.
15. A draft Working Group Report must be circulated to Working Group members with not less than five business days given for comments.
16. Any unresolved comments within the Working Group must be reflected in the final Working Group Report.
17. The Chairman (or another member nominated by him) will present the Working Group report to the Amendments Panel as required.