
Governance Standing Group

Notes of Meeting held on 17 May 2002, Brandon Hall, Coventry

Present	Nigel Cornwall, NC	Chair
	Steve Phillips, SP	British Energy
	Mark Cox, MC	National Grid
	Malcolm Taylor, MT	AEP
	Dick Cecil, DC	London Electricity
	Simon Goldring, SG	British Gas Trading
	Richard Ford, RF	St Clements
	David Edward, DE	Authority (Observer)
	Andy Balkwill, AB	Observer
	Brian Sequeira, BS	Observer
	David Payne, DP	Technical Secretary

1. Introductions

Apologies were received from Jane Butterfield, PowerGen.

Richard Ford explained that he did not expect to attend future meetings as he was changing employer.

Mark Cox also stated that he did not expect to attend future meetings as he was changing role within National Grid. However Andy Balkwill would attend future meetings in his place

2. Approval of Notes from last meeting

The notes of the last meeting were approved and would be published on the CUSC website in due course.

Actions from the last meeting

At the last meeting NC agreed to prepare a note to the CUSC Amendment Panel seeking guidance as to whether the GSG should review whether as part of the CUSC amendment process due consideration should be given to the BSC in addition to the Core Industry Documents. The BSC is not defined as a Core Industry Document. The next Panel meeting would be on 21st June 2002 and NC explained that this note would be prepared for that meeting.

Ongoing Action: NC

The remaining actions from the last meeting had been completed or were covered under subsequent Agenda items.

3. **Items for Discussion**

Alternative Amendments

NC had provided a revised version of the notes describing the Proposed Definition for an Alternative Amendment Proposal and guideline principles. This revised version was in draft form and, following acceptance by the GSG, would be put to the CUSC Amendments Panel for endorsement. These notes were intended as a framework for an agreed set of principles and it was expected that the Amendments Panel would ultimately recommend National Grid or another CUSC party raise a CUSC Amendment in line with the agreed set of principles.

MT pointed out some minor typographical points for correction but with respect to the third bullet point under the Working Group Phase of the paper asked whether it was the intention that ANY Alternative Amendment Proposal should be considered. It was generally agreed that an Alternative Amendment should not only be believed by the proposer to be a better solution to a problem than the original Amendment Proposal but should also be believed to better achieve the applicable CUSC objectives above the existing CUSC. It would not be for the Working Group to make a judgement on whether an Alternative Amendment was a better solution as this would be for Ofgem to decide. It was also agreed that it should be clear that an Alternative Amendment addressed the original deficiency and did not go off 'at a tangent'. NC felt that the Working Group should be in a position to rank Alternative Amendments according to validity.

BS observed that under the Working Group phase some new terms had been introduced which would probably require definition. MC queried whether this was necessary – for consistency through section 8 one definition would be preferable for Alternative Amendments.

RF suggested that the text of the last sentence of the second paragraph under the Working Group phase of the paper should be modified to remove the phrase '...most optimally...' and replace it with a more appropriate phrase.

With respect to the Consultation Phase MT felt that it should be made clear that an Alternative Amendment proposed at the Consultation stage should be believed to be a better Proposal than anything that has gone before including any Alternative Amendments arrived at during the Working Group phase.

MT pointed out that there was also the alternative route for a party to raise a new Amendment Proposal.

With respect to the Proposed Definition, SG felt that the inserted text in the second bullet point was unnecessary and could be deleted. SG also felt that the second sentence of the third bullet point should be deleted as the issue of whether a Standing Group can identify an Alternative Amendment (except when acting as a Working Group – which is already covered) is currently the subject of an Amendment Proposal (CAP 007). This proposal has yet to be determined by the Authority. This also applies to the text in brackets in the first bullet point of the Working Group phase. MC also stated that there was an issue with who would decide whether an Alternative Amendment would 'substantively' address the same defects identified by the original Amendment Proposal (bullet two under Proposed

Definition) and that it would be better to generalise the associated text of the bullet point.

Further minor comments were made and NC agreed to redraft the proposed principles and proposed definition document, to amend the text and clarify the points raised. NC would then circulate to GSG members, for comment before presentation at the next CUSC Amendments Panel meeting on 21st June.

Action: NC

Panel Views in Consultation

MT introduced his paper on the Role of the CUSC Amendments Panel which had been prepared as a result of an action following discussions at the last GSG meeting. The paper summarised the role of the Amendments Panel within the Amendment Process, including references to views expressed during the consultation on CUSC. This included some personal views and interpretations of the role of the Panel and concluded that there seemed to be no doubt that the original intention of those drafting the CUSC had been to give the Panel a role, to some degree, of commenting on proposed amendments. Further MT believed that there was no doubt that the Panel currently had three opportunities under the CUSC to comment on an amendment during the amendment process.

During the ensuing debate on MT's paper NC, supported by SG, stated that the GSG should take the existing CUSC as the starting point for any discussion irrespective of what the intended objectives of the original Code compilers appeared to have been. NC felt that section 4 of the paper included the key elements of a definition of the problem.

SG stated that the problem appeared to be with the Panel as whole giving a view on the content of an Amendment Proposal whereas a Panel Member as an individual was able to do so during the Consultation phase. This raised the issue of whether the Panel as a body should be enabled to provide an input and should there be a recommendation that the Panel as a body should be able to discuss or form a view on Amendment Proposals.

NC summarised by stating there were three general views on the role of the Amendments Panel, each with different implications:

- 1) The Panel should have a process focussed role to ensure that NGC and others follow due process;
- 2) The Panel should have a role to ensure due process with a further role for individual Panel members looking at the content issues of Amendment Proposals;
- 3) The Panel as a whole should be enabled to consider the content of Amendment Proposals in addition to ensuring the effective operation of the Amendment Process.

MT agreed to produce a matrix showing the roles for the Panel and Panel Members and bring it back to the next meeting.

Action: MT

DC agreed to document the position supporting increasing the Role of the Panel at the end of the process to consider more content issues.

Action: DC

SG agreed to document the counter views on the Panel's role in the process. MC agreed to input.

Action: SG/MC

OTHER ISSUES OUTLINED IN THE TERMS OF REFERENCE

Urgent Amendment Process

MC agreed to consider the scope of the problem associated with Urgent Amendments and report back at the next GSG meeting.

Action: MC

Withdrawals

MC stated that this was a relatively minor issue related to clarification of the existing CUSC text. MC agreed to provide a definition of the problem along with a proposed solution.

Action: MC

The introduction of the ability by the Authority to delay or bring forward proposed Implementation Dates of Amendments.

DE stated that this issue was being addressed by BSC Modification proposal P28. This proposal would require a modification to the Licence and if the P28 proposal was approved would enable a CUSC Amendment Proposal. DE agreed to forward relevant papers to NC.

Action: DE

Should the BSC and CUSC be defined as Core Industry Documents.

NC had already taken an action to prepare a briefing note for the next Amendment Panel meeting.

4. Timetable, Priorities and Work Programme

NC stated that he assumed that having followed up the actions raised at this and earlier meetings the GSG had discharged its responsibilities as laid out in the Terms of Reference. The GSG would then be in a position to report back to the Panel with recommendations and this could be discussed at the next GSG meeting. The Technical Secretary was asked to ensure that this was included on the Agenda for the next meeting.

Action: DP

5. Any Other Business

There was no other business for discussion at this meeting.

6. Date of Next Meeting

Friday 14th June 2002, starting at 10.00 am, to be held at the AEP offices at:

17 Waterloo Place
London

(Nearest Tube station is Piccadilly)