

## TERMS OF REFERENCE FOR CAPs 088-091 WORKING GROUP

### RESPONSIBILITIES

1. The Working Group is responsible for assisting the CUSC Amendments Panel in the evaluation of CUSC Amendment Proposals CAPs 088-090 inclusive tabled by National Grid Company and CAP091 tabled by BizzEnergy at the Amendments Panel meeting on 20<sup>th</sup> May 2005.
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 Proposals and consider if the proposals identified better facilitate achievement of the Applicable CUSC Objectives.
5. In addition to the overriding requirement of paragraph 4, the Working Group shall consider and incorporate appropriate legal drafting in the report to implement CAPs 088-091 or any Working Group Alternative Amendment (WGAA) developed by the Group.
6. The Working Group is responsible for the formulation and evaluation of any WGAA's 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 Chairman should provide progress reports to the CUSC Amendments Panel meetings scheduled for 24<sup>th</sup> June and 29<sup>th</sup> July. If some of the Amendment Proposals can be progressed earlier than the timetable in this paragraph then the Working Group should report earlier to the Panel on those Amendment Proposals. The Working Group is to submit their final report to the CUSC Panel Secretary on 11<sup>th</sup> August 2005 for circulation to Panel Members. The conclusions will be presented to the CUSC Panel meeting on 18<sup>th</sup> August 2005.

## **MEMBERSHIP**

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

Chair	Ben Graff
National Grid	Paul Murphy
Industry Representatives	Carl Wilkes (npower) Keith Munday (BizzEnergy) Lee Selway (EdF Energy) John Capener (British Energy) Bob Brown (Cornwall Consulting) Neil Smith (e.on) Gavin Ferguson (Centrica)
Authority Representative	Steve MacKay
Technical Secretary	Richard Dunn

[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. Any additional nominations for Membership of the Group after the CUSC Panel meeting scheduled for 20<sup>th</sup> May should be provided to the CUSC Panel Secretary.

## **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 Amendments Panel scheduled for 19<sup>th</sup> August 2005 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.