



National Grid

CONSULTATION DOCUMENT

CAP007

Role of Standing Groups

**The purpose of this document is to
consult on Amendment Proposal CAP007
with CUSC Parties and other interested
Industry members**

Amendment Ref	CAP007
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Prepared by	National Grid

I DOCUMENT CONTROL**a National Grid Document Control**

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1.0	4/3/02	National Grid	Formal version for release

b Document Location

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c Distribution

Name	Organisation
CUSC Parties	Various
Panel Members	Various
Interested Parties	Various
Core Industry Document Owners	Various
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1.0 Executive Summary

- 1.1 British Energy, with support from other Parties (as detailed in the Amendment Proposal form), submitted CUSC Amendment Proposal CAP007 to the Amendments Panel for consideration at their 9th November 2001 meeting. The Amendments Panel determined that CAP007 should be evaluated further by a Working Group and set Terms of Reference to review the Amendment Proposal and report back to the 22nd February 2002 meeting.
- 1.2 CAP007 proposes to permit Standing Groups to comment on Amendment Proposals so that their views as a body of experts can be included in the Amendment Report. The Amendment Proposal also proposes to enable the CUSC Panel to action an existing Standing Group in addition to setting up a Working Group, to consider an Amendment Proposal.
- 1.3 The Governance Amendments Working Group (GAWG) evaluated the Amendment Proposal against the applicable CUSC objectives. The Group provided some support for the clarification of the role of the Standing Group, but a mixed view on whether the Proposal better facilitated the applicable CUSC objectives. The Group considered the legal text provided in the Amendment Proposal and developed alternative text for consideration as an Alternative Amendment, which the group supported unanimously against the applicable CUSC objectives.
- 1.4 The Working Group delivered its Report to the Panel Secretary on 8th February 2002 in preparation for the February Panel meeting. The Amendments Panel acknowledged the work undertaken by the Working Group and agreed that they had satisfied the Terms of Reference and that National Grid should undertake wider Industry consultation.
- 1.5 This document initiates the wider industry consultation process and invites views on CUSC Amendment Proposal CAP007. The consultation closing date is **4th April 2002**.

2.0 Introduction

- 2.1 This consultation document is issued by National Grid under the procedures specified in the Connection and Use of System Code (CUSC). It addresses issues associated with the Proposed Amendment of the role of Standing Groups contained in Section 8 of the CUSC.
- 2.2 Further to the submission of Amendment Proposal CAP007 and the subsequent evaluation by the CUSC Governance Working Group, this document seeks views from industry members relating to the Amendment Proposal.
- 2.3 This document outlines the discussions held by the Working Group and the nature of the CUSC changes that are proposed. Representations received in response to this consultation document will be included in National Grid's Amendment Report that will be furnished to the Authority for their decision.
- 2.4 This consultation document has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid website, at <http://www.nationalgrid.com/uk/indinfo/cusc>, along with the Working Group Report for CAP007 and the Amendment Proposal form.

3.0 The Amendment Proposal

- 3.1 The principle changes for CAP007 involve enabling a Standing Group to (i) provide a view to the Amendments Panel as necessary, (ii) to provide a view as a body, during the consultation process, and (iii) to provide a view to a Working Group which has been separately established to evaluate an Amendment Proposal. CAP007 also proposes to clarify the options open to the Amendments Panel to action either or both a Working Group and a Standing Group to consider an Amendment Proposal.
- 3.2 The Amendment Proposal is intended to deal with a perceived restriction in the role of Standing Group as currently prescribed in the CUSC. It is argued that in many cases there is a need for a Standing Group to provide both expert input into the evaluation and formulation of the detailed mechanisms for an amendment proposal.

4.0 Working Group Discussions

- 4.1 There were diverse views represented within the Working Group as to whether the amendment put forward by CAP007 would better facilitate the applicable CUSC objectives.
- 4.2 Currently Standing Groups are set up by the Amendments Panel, who also set a specific timetable and remit of areas of the CUSC that require 'reviewing', but for which an Amendment Proposal has not been raised. In addition, an existing Standing Group may also be actioned by the Amendments Panel to act as a Working Group to consider an Amendment Proposal.
- 4.3 The Working Group accepted that the Proposal was intended to increase flexibility and supported the principle of the Proposal to increase the role and remit of Standing Groups, but did not support making them independent. It was felt that the CUSC Panel should remain responsible for establishing Standing Groups and setting the parameters. One member felt that there was merit in establishing groups of experts who met regularly and to whom Amendment Proposals could be referred, rather than setting up a Working Group on each occasion.
- 4.4 Working Group members were concerned that the Proposal would enable two groups (Working Group and Standing Group) to provide views on an amendment proposal to the Amendments Panel. This could lead to conflict and confusion between the groups, along with potential duplication of work.
- 4.5 CAP007 also proposes to allow Standing Groups to comment on Amendment Proposals which they have not been actioned to consider. Working Group members felt that the views of a Standing Group submitted as part of any consultation should carry no greater weight than any other views submitted.

Summary of Working Group Discussion

- 4.6 In general there was support for the clarification of the role of the Standing Group, but there was a mixed view as to whether CAP007 better facilitated the CUSC objectives.

- 4.7 The majority of Working Group members agreed that the Panel should be allowed to consult other groups it has established as and when required, but did not think that it was appropriate that generic powers should be given to a Standing Group to comment on Amendment Proposals. In view of this, the Group agreed to develop an Alternative Amendment.

5.0 Alternative Amendment

- 5.1 The Group unanimously supported the redrafted text contained within the Alternative Amendment and agreed that it would better facilitate the applicable CUSC objectives compared to both the existing wording and the Amendment Proposal. The draft legal text to give effect to the Alternative Amendment is contained in Part B of Annex 1.
- 5.2 The Working Group felt that the Alternative Amendment should contain the ability for the Amendments Panel to consult other groups it has established as and when required, to ensure an effective process, but considered that control over this should remain with the Panel rather than allowing Standing Groups to comment independently.
- 5.3 The Alternative Amendment agreed by the Working Group recognises the importance of allowing flexibility in the process for evaluating proposals and also the benefits gained from the ability to consult expert groups.

6.0 Initial View of Amendments Panel

- 6.1 The view of the Amendments Panel on the way forward for CAP007 is that National Grid should initiate a period of wider consultation to seek industry views as to whether the Amendment Proposal or the Alternative Amendment better facilitate achievement of the applicable CUSC objectives.

7.0 Initial View of National Grid

- 7.1 National Grid believes that Amendment Proposal CAP007 does not better meet the CUSC objectives. This is on the basis that it would be inappropriate and potentially confusing for a Standing Group to be able to choose to consider Amendment Proposals in parallel with Working Groups.
- 7.2 National Grid believes that the Alternative Amendment developed and agreed by the Governance Amendments Working Group does better facilitate the applicable CUSC objectives. The Alternative Amendment would allow more flexibility into the process without leading to duplication or confusion of responsibilities in the consideration of Amendment Proposals.

8.0 Views Invited

- 8.1 National Grid is seeking the views of interested parties relating to this Amendment Proposal CAP007.
- 8.2 Please send your responses to this consultation document to National Grid by no later than close of business on **4th April 2002.**

8.3 Please address all comments to the following e-mail address:

emma.groves@uk.ngrid.com

Or alternatively, comments may be addressed to:

Emma Groves
Commercial Development
National Grid Company plc
National Grid House
Kirby Corner Road
Coventry
CV4 8JY

Annex 1 - Proposed Text to Modify CUSC

Part A - Indicative Text by Proposer to give effect to the Proposed Amendment

1. Panel Proceedings

8.16.5 In relation to each **Amendment Proposal**, the **Amendments Panel** shall determine at any meeting of the **Amendments Panel** whether to:

- (b) establish a **Working Group** (including if appropriate identifying and actioning a Standing Group) of the **Amendments Panel**, to consider the **Proposed Amendment**; or

2. Working Groups

8.17.1 If the **Amendments Panel** has decided not to proceed directly to wider consultation by **NGC**, a **Working Group** will be established, and/or an existing **Standing Group** identified and actioned, by the **Amendments Panel** to assist the **Amendments Panel** in evaluating whether an **Amendment Proposal** better facilitates achieving the **Applicable CUSC Objectives** and whether an **Alternative Amendment** would, as compared with the **Amendment Proposal**, better facilitate achieving the **Applicable CUSC Objectives** in relation to the issue or defect identified in the **Amendment Proposal**. Where a **Standing Group** is identified and actioned in relation to an **Amendment Proposal**, a reference to **Working Group** in this Section 8 shall, in relation to that **Amendment Proposal**, be deemed to be a reference to that **Standing Group** acting in that capacity.

3. Consultation

8.19.1 After consideration of any **Working Group** report on the **Amendment Proposal** by the **Amendments Panel** and a determination by the **Amendments Panel** to proceed to wider consultation by **NGC**, **NGC** shall consult on the **Amendment Proposal** with:

- (i) **CUSC Parties**; and
- (ii) such other persons who may properly be considered to have an appropriate interest in it.

A **Standing Group** as a body shall be deemed to fall within subparagraph (ii) above and therefore shall be able to respond to **NGC's** consultation. It shall not, however, in so doing undertake the functions of a **Working Group**.

Part B – Text to give effect to the Alternative Amendment**1. Panel Proceedings**

8.16.5 *{Leave as existing CUSC text}*

2. Working Groups

8.17.1 If the **Amendments Panel** has decided not to proceed directly to wider consultation by **NGC**, a **Working Group** will be established, or ~~an existing~~ **Standing Group** identified and actioned, by the **Amendments Panel** to assist the **Amendments Panel** in evaluating whether an **Amendment Proposal** better facilitates achieving the **Applicable CUSC Objectives** and whether an **Alternative Amendment** would, as compared with the **Amendment Proposal**, better facilitate achieving the **Applicable CUSC Objectives** in relation to the issue or defect identified in the **Amendment Proposal**.

Where a **Standing Group** is identified and actioned in relation to an **Amendment Proposal**, a reference to **Working Group** in this Section 8 shall, in relation to that **Amendment Proposal**, be deemed to be a reference to that **Standing Group** acting in that capacity.

~~If not actioned as a **Working Group** but specifically requested by the **Amendments Panel**, a **Standing Group** shall comment upon any **Amendment Proposal**. Unless specifically appointed pursuant to this Paragraph or permitted pursuant to Paragraph 8.19, a **Standing Group** shall not comment upon any **Amendment Proposal**.~~

3. Consultation

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- (i) **CUSC Parties**; ~~and~~
- (ii) **a **Standing Group** if requested by the **Amendments Panel** or pursuant to 8.17.1; and**
- (iii) such other persons who may properly be considered to have an appropriate interest in it.

~~Where following the establishment of a **Working Group**, or the decision of the **Amendments Panel** to proceed directly to consultation by **NGC**, in relation to an **Amendment Proposal**, the terms of reference of a **Standing Group** have been amended by the **Amendments Panel** to include the ability to comment on the **Amendment Proposal**, that A **Standing Group** requested as a body shall be deemed to fall within subparagraph (ii) above and therefore shall be able to respond to **NGC's** consultation. It shall not, however, in so doing undertake the functions of a **Working Group**. In the absence of such a change in terms of reference, the **Standing Group** as a body shall have no ability to respond to any consultation.~~