

**Minutes and Actions Arising from Meeting No.54
Held on 24th February 2006
At National Grid Office, Warwick**

Present:

Simon Cocks	SC	Panel Chairman
Beverley Viney	BV	Panel Secretary
Ben Graff	BG	Panel Member (National Grid Rep)
Dipen Gadhia	DG	Authority Representative
Malcolm Taylor	MT	Panel Member (Users Member)
Bob Brown	BB	Panel Member (Users Member)
Tony Diccio	TD	Panel Member (Users Member)
Garth Graham	GG	Panel Member (Users Member)
Paul Jones	PJ	Panel Member (Users Member)
Dick Cecil	DC	Alternate Panel Member
Hugh Conway	HC	energywatch representative

In Attendance:

Andrew Truswell	AT	National Grid
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1 Introductions/Apologies for Absence

648. Apologies for absence were received from Simon Goldring, Rupert Judson, Guy Phillips, Kathryn Coffin and Simon Lord. The following had been appointed to act as their Alternates.

Malcolm Taylor acted as Simon Goldring's Alternate.

Dick Cecil acted as Rupert Judson's Alternate.

2 Minutes of the Meeting held on 27th January 2006

649. The minutes of the 53rd Amendments Panel meeting held on 27th January 2006 circulated on 17th February 2006 were AGREED subject to minor amendments.

3 Review of Actions

650. BG updated the Amendments Panel on his discussions with the DTI and Competition Commission following the Amendments Panels previous request to invite them to this meeting. The Competition Commission had told BG that they were "open" as to whether an Authority decision to approve an Amendment that the Panel had determined "better" facilitated the Applicable Objectives (as oppose to the option the Panel had recommended as "best") would be appealable. The Competition Commission told BG that they would be sensitive to the circumstances and would review on a case by cases basis. It was requested that BG should add a paragraph reflecting these comments to the Amendment Panel Recommendation Vote Process guidance notes

Action – BG to add paragraph to Amendment Panel Recommendation Vote Process guidance notes

651. Indemnity Provisions (see 635) – BG outlined the indemnity provisions which were detailed in the document issued to the Amendments Panel. It was asked if this was consistent with other codes. BG noted that the BSC is more stringent as to who can/can't take part in the Panel discussions. BG noted that the CUSC Indemnity provisions did not cover Alternates who were not formally acting for a Panel Member or Observers, and said that whilst he did not feel strongly about this, it was always open to parties to bring forward an Amendment if they believed a change in this area would better facilitate the relevant objectives.

4 New Amendment Proposals (as at 17/02/06)

652. None

5 Standing/Working Group Reports

653. BG gave an update on CAP107 outlining the 3 main options and stating that the working group needed to request from Ofgem an extension of a month, due to the complicated technical nature of the work, and the need to assess further the potential systems implications. (Which were likely to have an impact as to whether Working Group Members considered the various options to be economic and efficient). DG agreed to the time extension on behalf of Ofgem. PJ confirmed that the choice of solution was likely to impact IS and the working group was now looking at IS changes required.

6 Consultation Papers as at 17/02/06

654. CAPs 113-118: with authority
655. CAP119: Consultation Alternative Amendment Consultation will close on 7 March 2006.

7 CUSC Amendment Panel Vote

656. A presentation outlining the different options was given by AT on CAP097. CAP097 was then discussed by the Amendments Panel. The Amendments Panel agreed that this discussion and vote could only be considered against the current baseline. DC stated that the quality of original working group that produced consultation documents should be applauded.
657. DG questioned whether National Grid should do the pre-vote Amendments Panel presentation, and said that Ofgem wondered if someone "neutral" would be better placed. BG stressed that the presentation would be given in an entirely neutral fashion, and was certainly not another opportunity for National Grid to make its case. BG also noted that the presentation was intended only as a "refresher," and that the Amendments Panel had all recognised that the substantive document of relevance was the Draft Amendment Report. Another Panel Member highlighted that when CUSC had been introduced he had had concerns as to whether National Grid would manage the treatment of Consultation Documents etc appropriately. However, he felt his fears had been misplaced and that National Grid had done an excellent job in

providing impartial analysis within Amendment reports, restricting their own views to the appropriate “National Grid Recommendation” section of Amendment Reports. Other Panel Members also expressed their full confidence in National Grid on this point.

658. The result of the Panel Recommendation Vote as to whether CAP097 BETTER facilitated the Applicable CUSC Objectives for the majority was as follows:

Original Proposal	- NO
WGAA1	- YES
WGAA2	- YES
CAA1	- YES
CAA2	- YES
CAA3	- NO
CAA4	- NO
CAA5	- YES
CAA6	- YES

The Panel recommended that the version of CAP097 that BEST facilitated achievement of the Applicable CUSC Objectives was CAA1.

The Panel AGREED that the Implementation Date for CAP097 would be 10 Business Days for WGAA1, CAA1 and CAA5. The Implementation Date for the Original Proposal, WGAA2, CAA2, CAA3, CAA4 and CAA6 would be 30 Days.

Further details on these discussions can be found within the CAP097 Amendment Report.

10 Report on Other Industry Documents

BSC

659. MT noted that the failure of small suppliers in the current volatile price market has been the cause of a lot of telephone conferences for the BSC Panel.

STC

660. BG gave an update and explained the main relevant areas of work was backing off CAP097, which was progressing

Grid Code

661. MT noted the following points from the Grid Code, the Regional Differences Working Group report reported back on the 23 February, which was well received, this will go to discussion/consultation shortly.

11 Any Other Business

662. **Action** – everyone to send their holiday dates to Beverley Viney.

663. There was a discussion about the CUSC provisions relating to quorum. Points were also raised on the appointing of Alternates and whether an Alternate should be chosen before appointing a full Panel Member to vote on an absent Panel Members behalf. It was also asked whether telephone conferencing could be used and included in the quorum count.

Action: BG to provide a clarification note at the March Panel.

664. MT noted that National Grid had run 2 workshops on Connection Issues and the current “GB Queue”, which he found excellent and he commended these for being open and candid.

665. BB noted that when working groups concluded on a number of options that they should be mindful of the numbers now that a voting process was required, to keep the voting process manageable.

12 Record of Decisions – Headline Reporting

666. The Panel Secretary would circulate an outline Headline Report after the meeting and place it on the National Grid website in due course.

Action – BV to circulate and publish

13 Date of Next Meeting

667. The next meeting will be held on Friday 31st March 2006 at National Grid, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.