

CAP180: Amendments to the CUSC Governance Process

CUSC Amendments Panel, 26th February 2010



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Introduction

- **Issues raised and discussions at Amendments Panel and Governance Standing Group (GSG) meetings**
- **Further discussion at GSG to develop proposals**
- **Draft Amendment Proposal discussed at November GSG**
- **Subsequently, internal discussion at National Grid and further discussion with GSG at January meeting**
- **Final Amendment Proposal raised and circulated with GSG – no significant comments returned to date**

- **Today's objective to provide overview, discuss and agree next steps.**
- **National Grid recommendation to take Amendment Proposal to consultation.**

I. Extend rights to raise Working Group Consultation Alternative Request (WGCAR) to BSC Parties and the NCC

Defect

- **Non-CUSC Parties unable to raise a WGCAR**
- **Potentially exclude useful input into the development of Amendment Proposal not previously considered.**

Rationale for solution

- **Aligning treatment of BSC Parties and the NCC to CUSC Parties.**
- **Remainder non-CUC Parties have a wider representation of Parties to raise a WGCAR through.**

II. Extend the right to self nominate to become a Working Group Member to BSC Parties and the NCC

Defect

- no provisions for Non-CUSC Parties to nominate themselves to become a member.
- As a consequence individuals may have to go through a CUSC Party which could conflict with representation of their views.

Rationale for Solution

- Align treatment of BSC Parties and NCC to CUSC Parties.
- Remainder of non-CUSC Parties will have greater representation of Parties they can approach for a nomination.

III. Remove a Working Group member's right to invite an Observer to a Working Group meeting.

Defect

- **Currently any Working Group member can invite an observer**
- **Particular issue during 'popular' Amendment Proposals where Chairman doesn't have sufficient provisions to manage attendees at their meeting.**

Rationale for Solution

- **Prevent over representation of certain Parties.**
- **Chairman is impartial therefore is best placed to select which observers - promote equality in the process.**
- **Provide greater control to the chair to manage their meeting.**

IV. Remove a Working Group Member's right to invite an Observer to Speak.

Defect

- **Any Working Group Member can invite an observer to speak**
- **Result in lack of provisions for Chairman to manage their meeting.**

Rationale for Solution

- **Prevent over representation of certain Parties.**
- **Chairman is impartial therefore is best placed to select which observers - promote equality in the process.**
- **Provide greater control to the chair to manage their meeting.**

V. Add provisions to enable a Chairman to remove an Observer from a Working Group meeting if disruptive or frustrating the Working Group

Defect

No provisions in the CUSC for an observer to be removed from a Working Group meeting under any circumstance.

Rationale for Solution

- Issue if observer is causing disruption**
- Greater Control for Chairman to manage their meetings.**
- Solution proposed aligned with similar provisions for removing Working Group members.**

Applicable CUSC Objectives

Efficient discharge by licensee of objectives

Proposal III, IV and V – Provide Greater control to the Chairman to manage and facilitate a Working Group meeting

Facilitate effective competition in the generation and supply of electricity

Proposal I and II – Align treatment of BSC Parties and NCC to CUSC Parties to raise a WGCAR and Self nominate to become a Working Group Member.

- Remainder non-CUSC Parties have greater choice of Parties to put forward a WGCAR or obtain a nomination.

All parts of proposal aim better facilitate objective not to discriminate between classes of users.

Timescales

If approved to go into consultation today:-

- **3rd March - company consultation for 3 weeks**
- **30th April - Panel Vote**
- **13th May - Submit final report to Ofgem**