



## **AMENDMENT REPORT**

### **CUSC Proposed Amendment CAP159**

#### **Arrangements for CUSC Mid- Term elections**

*The purpose of this report is to assist the Authority in their decision of whether to implement Amendment Proposal CAP159*

Amendment Ref	CAP159
Issue	1.0
Date of Issue	04/02/08
Prepared by	National Grid

## I DOCUMENT CONTROL

### a National Grid Document Control

Version	Date	Author	Change Reference
0.1	07/01/08	National Grid	Draft for internal comment
0.2	15/01/08	National Grid	Draft for industry comment
0.3	22/01/08	National Grid	Draft for CUSC Panel Vote
0.4	25/01/08	National Grid	Draft for CUSC Panel Comment following Vote
1.0	04/02/08	National Grid	Formal version for submission to the Authority

### b Document Location

National Grid Website:

[www.nationalgrid.com/uk/Electricity/Codes/](http://www.nationalgrid.com/uk/Electricity/Codes/)

### c Distribution

Name	Organisation
The Gas and Electricity Markets Authority	Ofgem
CUSC Parties	Various
Panel Members	Various
National Grid Industry Information Website	

<b>I</b>	<b>DOCUMENT CONTROL .....</b>	<b>2</b>
<b>1.0</b>	<b>SUMMARY AND RECOMMENDATIONS .....</b>	<b>3</b>
<b>2.0</b>	<b>PURPOSE AND INTRODUCTION .....</b>	<b>3</b>
<b>3.0</b>	<b>PROPOSED AMENDMENT .....</b>	<b>4</b>
<b>4.0</b>	<b>ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES .....</b>	<b>5</b>
<b>5.0</b>	<b>PROPOSED IMPLEMENTATION .....</b>	<b>5</b>
<b>6.0</b>	<b>IMPACT ON THE CUSC .....</b>	<b>5</b>
<b>7.0</b>	<b>IMPACT ON CUSC PARTIES .....</b>	<b>5</b>
<b>8.0</b>	<b>IMPACT ON INDUSTRY DOCUMENTS.....</b>	<b>5</b>
<b>9.0</b>	<b>IMPACT ON INDUSTRY COMPUTER SYSTEMS OR PROCESSES .....</b>	<b>5</b>
<b>11.0</b>	<b>VIEWS AND REPRESENTATIONS .....</b>	<b>6</b>
<b>12.0</b>	<b>COMMENTS ON DRAFT AMENDMENT REPORT.....</b>	<b>7</b>
<b>13.0</b>	<b>AMENDMENT PANEL RECOMMENDATION.....</b>	<b>7</b>
<b>14.0</b>	<b>NATIONAL GRID RECOMMENDATION.....</b>	<b>7</b>
	<b>ANNEX 1 – PROPOSED LEGAL TEXT TO MODIFY THE CUSC .....</b>	<b>8</b>
	<b>ANNEX 2 – AMENDMENT PROPOSAL FORM .....</b>	<b>17</b>
	<b>ANNEX 3 – REPRESENTATIONS RECEIVED DURING CONSULTATION.....</b>	<b>19</b>
	<b>ANNEX 4 – REPRESENTATIONS RECEIVED UPON THE DRAFT AMENDMENT REPORT .....</b>	<b>22</b>

## 1.0 SUMMARY AND RECOMMENDATIONS

### Executive Summary

- 1.1 CAP159 Arrangements for CUSC mid-term elections was proposed by National Grid and submitted to the Amendment Panel on 30 November 2007. CAP159 proposes to create the facility of a mid-term CUSC Panel Election when an existing Panel member resigns/is unable to continue and there are no existing Alternative Members.
- 1.2 The process would be as the main elections which are held in accordance with CUSC Section 8A. CAP159 proposes in summary the following process:
- Notification would be issued stating an election will be held and the process including the timescales
  - A nomination period for CUSC signatories to nominate a new representative
  - Should more than one person be nominated then a voting process would take place as per the main CUSC Panel elections
  - A voting period for all CUSC Signatories
  - The nominee receiving the highest number of votes would become a Panel Member and the remaining nominee(s) would become alternate members for the remaining Panel term in accordance with CUSC 8A.3.7.1

### National Grid Recommendation

- 1.3 National Grid, as the Proposer of CAP159 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC Objective (a).

### Amendment Panel Recommendation

- 1.4 The result of the Panel Recommendation Vote as to whether the following BETTER facilitated the Applicable CUSC Objectives was as follows:

**CAP159 – Arrangements for CUSC Mid- Term elections**

Original                      Yes - unanimously

## 2.0 PURPOSE AND INTRODUCTION

- 2.1 This Amendment Report has been prepared and issued by National Grid under the rules and procedures specified in the Connection and Use of System Code (CUSC) as designated by the Secretary of State.
- 2.2 Further to the submission of Amendment Proposal CAP159 (see Annex 2) and the subsequent wider industry consultation that was undertaken by National Grid, this document is addressed and furnished to the Gas and Electricity Markets Authority (“the Authority”) in order to assist them in their decision whether to implement Amendment Proposal CAP159.
- 2.3 CAP159 was proposed by National Grid and submitted to the CUSC Amendments Panel for consideration at their meeting on 30<sup>th</sup> November 2007. The Amendments Panel determined that CAP159 was appropriate to proceed to wider industry consultation by National Grid.

- 2.4 This document outlines the nature of the CUSC changes that are proposed. It incorporates National Grid's recommendations to the Authority concerning the Amendment. Copies of all representations received in response to the consultation have been also been included and a 'summary' of the representations received is also provided. Copies of each of the responses to the consultation are included as Annex 3 to this document.
- 2.5 This Amendment Report has been prepared in accordance with the terms of the CUSC. An electronic copy can be found on the National Grid website, at [www.nationalgrid.com/uk/Electricity/Codes/](http://www.nationalgrid.com/uk/Electricity/Codes/).

### **3.0 PROPOSED AMENDMENT**

- 3.1 The objective of this amendment is to allow for a mid-term election of Panel Member and Alternates should a Panel Member resign or be unable to undertake their Panel duties and there is no elected Alternate to replace them.
- 3.2 The current CUSC Panel does not have any Alternate members and the resignation of one of the existing Panel members has left a vacancy. It is inefficient to continue for the remainder of the term with the vacancy as there is the risk of not meeting the quorum requirements.
- 3.3 It is proposed to introduce a mid term election process. The process would be as the main elections which are held in accordance with CUSC Section 8A. CAP159 proposes in summary the following process:
- Notification would be issued stating an election will be held and the process including the timescales
  - A nomination period for CUSC signatories to nominate a new representative
  - Should more than one person be nominated then a voting process would take place as per the main CUSC Panel elections
  - A voting period for all CUSC Signatories
  - The nominee receiving the highest number of votes would become a Panel Member and the remaining nominee(s) would become alternate members for the remaining Panel term in accordance with CUSC 8A.3.7.1
- 3.4 It should be noted that this facility would only be used if there was a 6 months term or more remaining of the Panel and all current Panel Members appointments would continue until the next main election.

## **4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES**

### **Proposed Amendment**

4.1 CAP159 would better facilitate the CUSC Objective(s);

(a) the efficient discharge by the Licensee of the obligations imposed upon it by the act and the Transmission Licence; and

by ensuring that the CUSC Panel has adequate membership to ensure quorum.

## **5.0 PROPOSED IMPLEMENTATION**

5.1 National Grid proposes CAP159 should be implemented immediately after an Authority decision. As there is currently a vacancy on the existing CUSC Panel this would allow for an election to take place as soon as practicable after the decision. In accordance with 8.19.3(b) views were invited on this proposed implementation date.

## **6.0 IMPACT ON THE CUSC**

6.1 CAP159 requires amendments to Section 8A of the CUSC.

6.2 The text required to give effect to the Original Proposal is contained as Annex 1 of this document.

## **7.0 IMPACT ON CUSC PARTIES**

### **Proposed Amendment**

7.1 CAP159 has no impact upon CUSC parties

## **8.0 IMPACT ON INDUSTRY DOCUMENTS**

### **Impact on Core Industry Documents**

8.1 CAP159 has no impact upon Core Industry Documents

### **Impact on other Industry Documents**

8.2 CAP159 has no impact upon other Industry Documents

## **9.0 IMPACT ON INDUSTRY COMPUTER SYSTEMS OR PROCESSES**

9.1 CAP159 has no impact upon on Industry Computer Systems or Processes

## 11.0 VIEWS AND REPRESENTATIONS

11.1 This Section contains a summary of the views and representations made by consultees during the consultation period in respect of the Proposed Amendment

### Views of Panel Members

11.2 No views or representations were made by the Panel members in their capacity as Panel Members during the consultation.

### View of Core Industry Document Owners

11.3 No representations received.

### Responses to Consultation

11.5 The following table provides an overview of the representations received. Copies of the representations are attached as Annex 3

Reference	Company	Supportive	Comments
CAP159-CR-01	Centrica	Yes	Support both the Amendment Proposal and the suggested implementation timescales
CAP159-CR-02	Scottish and Southern	Yes	agree that the Amendment Proposal would better facilitate the achievement of the Applicable CUSC Objective.

## 12.0 COMMENTS ON DRAFT AMENDMENT REPORT

12.1 National Grid received 1 responses following the publication of the draft Amendment Report. The following table provides an overview of each representation. Copies of the representations are attached as Annex 4.

Reference	Company	Summary of Comments
CAP159-AR-01	Scottish and Southern	<p>Minor grammar changes and a comment on the implementation. Scottish and Southern believe that the implementation should be the next working day rather than immediate. Changes are in the following</p> <p>1.2 – with changed to will            1.3 – font change            2.1 – addition “and amended from time to time...”            3.1 – are changed to is and font change            3.2 – capital A and additional words of “members”, “the” and “requirements”.            3.3 – with changed to will            5.1 – are changed to were            14.1 – font change</p> <p><i>Response - The grammar changes have been made however comments on implementation timescales are requested during the consultation and are therefore not included in 5.1.</i></p>

## 13.0 AMENDMENT PANEL RECOMMENDATION

13.1 The result of the Panel Recommendation Vote as to whether the following BETTER facilitated the Applicable CUSC Objectives was as follows:

**CAP159** – Arrangements for CUSC Mid- Term elections

Original                      Yes - unanimously

## 14.0 NATIONAL GRID RECOMMENDATION

14.1 National Grid, as the Proposer of CAP159 is supportive of the Amendment Proposal, believing that it would better facilitate achievement of the Applicable CUSC Objective (a).

14.2 National Grid also support the suggested implementation timescale of immediate implementation to allow an election to commence at the earliest opportunity

## **ANNEX 1 – PROPOSED LEGAL TEXT TO MODIFY THE CUSC**

### **Part A - Text to give effect to the Original Proposed Amendment**



## ANNEX 8A ELECTION OF USERS' PANEL MEMBERS

### 8A.1 GENERAL

#### 8A.1.1 Introduction

**8A.1.1.1** This Annex 8A sets out the basis for election of **Users' Panel Members** and **Alternate Members** for the purpose of Paragraphs 8.3.2. and 8.6.2

**8A.1.1.2** This Annex 8A shall apply:

- (a) in relation to each year (the "**Election Year**") in which the term of office of **Users' Panel Members** and **Alternate Members** expires, for the purposes of electing **Users' Panel Members** and **Alternate Members** to hold office with effect from 1st October in that year;
- (b) subject to and in accordance with Paragraph 8A.4, upon a **Users' Panel Member** and/or **Alternate Members** ceasing to hold office before the expiry of his term of office.

**8A.1.1.3** For the purposes of an election under Paragraph 8A.1.1.2(a) references to **Users** are to persons who are **Users** as at 20th June in the election year.

**8A.1.1.4** **The Company** shall administer each election of **Users' Panel Members** and **Alternate Members** pursuant to this Annex 8A.

#### 8A.1.2 Election timetable

**8A.1.2.1** **The Company** shall not later than 1st July in the election year prepare and circulate to all **Users** (by publication on **The Company Website** and, where relevant details are supplied, by electronic mail), with a copy to the **Authority**, an invitation to nominate candidates who must be willing to be either a **User Panel Member** or an **Alternate Member** and a timetable for the election (the "**Election Timetable**"), setting out:

- (a) the date by which nominations of candidates are to be received, which shall not be less than three (3) weeks after the timetable is circulated;
- (b) the date by which **The Company** shall circulate a list of candidates and voting papers;
- (c) the date by which voting papers are to be submitted, which shall not be less than three (3) weeks after the date for circulating voting papers;

- (d) the date by which the results of the election will be made known, which shall not be later than 15th September in the **Election Year**.

**8A.1.2.2** If for any reason it is not practicable to establish an election timetable in accordance with Paragraph 8A.2.1.1 or to proceed on the basis of an election timetable which has been established, **The Company** may establish a different timetable, or revise the election timetable, by notice to all **Users**, the **Amendments Panel** and the **Authority**, provided that such timetable or revised timetable shall provide for the election to be completed before 1st October in the **Election Year**.

**8A.1.2.3** A nomination or voting paper received by **The Company** later than the respective required date under the election timetable (subject to any revision under Paragraph 8A.1.2.2) shall be disregarded in the election.

## **8A.2. CANDIDATES**

### **8A.2.1 Nominations**

**8A.2.1.1** Nominations for candidates shall be made in accordance with the **Election Timetable**.

**8A.2.1.2** Subject to Paragraph 8A.1.1.3, each **User** may nominate one candidate for election by giving notice to **The Company**.

### **8A.2.2 List of candidates**

**8A.2.2.1** **The Company** shall draw up a list of the nominated candidates and circulate the list to all **Users** by the date specified in the **Election Timetable**.

**8A.2.2.2** The list shall specify the **User** by whom each candidate was nominated and any affiliations which the candidate may wish to have drawn to the attention of **Users**.

**8A.2.2.3** Except where Paragraphs 8A.4.3 or 8A.4.4 apply, if seven (7) or fewer candidates are nominated, no further steps in the election shall take place and such candidate(s) shall be treated as elected as **Users' Panel Members** and Paragraph 8A.3.2.4 shall apply in relation to such candidate(s).

Deleted: ies

Deleted:

**8A.2.2.4** Where Paragraph 8A.4.3 applies, if only one (1) candidate is nominated, no further steps in the election shall take place and such candidate shall be treated as elected as a **Panel Member** and Paragraph 8A.3.2.4 shall apply in relation to such candidate.

Formatted: Font: Bold

**8A.2.2.5** Where Paragraph 8A.4.4 applies, if five (5) or fewer candidates are nominated, no further steps in the election shall take place and such candidate(s) shall be treated as elected as **Alternate Members** and Paragraph 8A.3.2.4 shall apply in relation to such candidate(s).

Deleted: 4

**8A.3. VOTING**

**8A.3.1 Voting papers**

**8A.3.1.1** Voting papers shall be submitted in accordance with the election timetable.

**8A.3.1.2** Each **User** may submit one voting paper.

**8A.3.2 Preference votes and voting rounds**

**8A.3.2.1** Each **User** submitting a voting paper shall vote by indicating on the voting paper a first, second and third preference ("**Preference Votes**") among the candidates.

**8A.3.2.2** A voting paper need not indicate a second, or a third, preference, but the same candidate may not receive more than one **Preference Vote** in a voting paper.

**8A.3.2.3** Candidates shall be elected in three voting rounds (together where necessary with a further round under Paragraph 8A.3.6) in accordance with the further provisions of this Paragraph 8A.3.

**8A.3.2.4** **The Company** shall determine which candidates are elected and announce (to the **Authority** and all **Users**) the results of the election in accordance with the election timetable.

**8A.3.2.5** **The Company** shall not disclose the **Preference Votes** cast by **Users** or received by candidates; but a **User** may by notice to the **Authority** require that the **Authority** scrutinise the conduct of the election, provided that such **User** shall bear the costs incurred by the **Authority** in doing so unless the **Authority** recommends that the election results should be annulled.

**8A.3.2.6** Further references to voting papers in this Paragraph 8A.3 do not include voting papers which are invalid or are to be disregarded (i.e. voting papers not made or submitted in accordance with the **CUSC**.)

**8A.3.3 First voting round**

**8A.3.3.1** In the first voting round:

(a) the number of first **Preference Votes** allocated under all voting papers to each candidate shall be determined.

(b) the first round qualifying total shall be:

$$(T / N) + 1$$

where

T is the total number of first **Preference Votes** in all voting papers;

N is the number of **Users' Panel Members** and/or **Alternate Members** to be elected.

**8A.3.3.2** If the number of first **Preference Votes** allocated to any candidate is equal to or greater than the first round qualifying total, that candidate shall be elected.

**8A.3.4 Second voting round**

**8A.3.4.1** In the second voting round:

- (a) the remaining candidates are those which were not elected in the first voting round;
- (b) the remaining voting papers are voting papers other than those under which the first **Preference Votes** were for candidates elected in the first voting round;
- (c) the number of first and second **Preference Votes** allocated under all remaining voting papers to each remaining candidate shall be determined;
- (d) the second round qualifying total shall be

$$(T' / N') + 1$$

where T' is the total number of first **Preference Votes** and second **Preference Votes** allocated under all remaining voting papers; N' is the number of **Panel Members** and/or **Alternate Members** remaining to be elected after the first voting round.

**8A.3.4.2** If the number of first and second **Preference Votes** allocated to any remaining candidate is equal to or greater than the second round qualifying total, that candidate shall be elected.

**8A.3.5 Third voting round**

**8A.3.5.1** In the third voting round:

- (a) the remaining candidates are those which were not elected in the first or second voting rounds;
- (b) the remaining voting papers are voting papers other than those under which the first or second **Preference Votes** were for candidates elected in the first or second voting rounds;

(c) the number of first, second and third **Preference Votes** allocated under all remaining voting papers to each remaining candidate shall be determined;

(d) the third round qualifying total shall be

$$(T'' / N'') + 1$$

where T'' is the total number of first **Preference Votes**, second **Preference Votes** and third **Preference Votes** allocated under all remaining voting papers;

N'' is the number of **Panel Members** remaining to be elected after the first and second voting rounds.

**8A.3.5.2** If the number of first, second and third **Preference Votes** allocated to any remaining candidate is equal to or greater than the third round qualifying total, that candidate shall be elected.

#### **8A.3.6 Further provisions**

**8A.3.6.1** If after any voting round the number of candidates achieving the required **Preference Votes** threshold exceeds the number of persons remaining to be elected, the following tie-break provisions shall apply between the tied candidates. In addition, if after the third voting round any **Panel Member(s)** or **Alternate Member(s)** remain to be elected the following tie-break provisions shall apply between the remaining candidates:

(a) the tied or remaining candidates (as applicable) shall be ranked in order of the number of first **Preference Votes** allocated to them, and the candidate(s) with the greatest number of such votes shall be elected;

(b) in the event of a tie between two or more candidates within Paragraph (a), the candidate(s) (among those tied) with the greatest number of second **Preference Votes** shall be elected;

(c) in the event of a tie between two or more candidates within Paragraph (b), **The Company** shall select the candidate(s) (among those tied) to be elected by drawing lots.

#### **8A.3.7 Alternate Members and Panel Members**

**8A.3.7.1** Except where Paragraphs 8A.4.3 or 8A.4.4 apply, the seven (7) candidates receiving the greatest number of votes shall be elected as **Users' Panel Members** and the next five (5) shall be elected as **Alternate Members**.

Deleted: ies

8A.3.7.2 Where Paragraph 8A.4.3 applies the number of candidate(s) up to and including the number of **Panel Member Interim Vacancies** receiving the greatest number of votes pursuant to the **Interim Panel and Alternate Election Process** shall be elected as **Users' Panel Member(s)** and the remaining candidates up to and including the number of **Alternate Member Interim Vacancies** receiving the greatest number of votes shall be elected as **Alternate Member(s)**.

8A.3.7.3 Where Paragraph 8A.4.4 applies the five (5) candidates receiving the greatest number of votes pursuant to the **Alternate Election Process** shall be elected as **Alternate Members**.

**8A.4. VACANCIES**

**8A.4.1 General**

**8A.4.1.1** If a **Panel Member** ceases to hold office pursuant to Paragraph 8.5.1 (b) (i) then Paragraph 8A.4.2 shall apply.

**8A.4.1.2** If a **Panel Member** ceases to hold office pursuant to Paragraph 8.5.1 (a), 8.5.1 (b) (ii) to (vi) (inclusive) or 8.5.1 (c) to (e) (inclusive) then Paragraph 8A.4.3 shall apply.

**8A.4.1.3** If an **Alternate Member** ceases to hold office pursuant to Paragraph 8.5 (the "**Resigning**" **Alternate Member**) then Paragraph 8A.4.4 shall apply.

**8A.4.1.4** The provisions of Paragraph 8A.2.1.2 shall apply, mutatis mutandis, to any replacement **Panel Member** or any replacement **Alternate Member** under this Paragraph 8A.4.

**8A.4.2 Replacement of a Panel Member who ceases to hold office pursuant to Paragraph 8.5.1 (b) (i)**

**8A.4.2.1** Where this Paragraph 8A.4.2 applies, and in accordance with the duties set out in Paragraph 8.2.4.1, such **Panel Member** may appoint a replacement **Panel Member** (subject to Paragraph 8A.4.2.2) for the remainder of the term of office of such **Panel Member** and shall notify the **Panel Secretary** of a replacement **Panel Member** at the same time as they resign. If such **Panel Member** does not appoint a replacement at the time of notifying the **Panel Secretary** of their resignation then such **Panel Member** will be replaced in accordance with Paragraph 8A.4.3 and this Paragraph 8A.4.2.1 shall no longer apply.

**8A.4.2.2** A **Panel Member** shall only appoint an **Alternate Member** to be his replacement pursuant to Paragraph 8A.4.2.1 and such **Alternate Member** chosen to be a **Panel Member** shall then become a **Resigning Alternate Member** and be replaced in accordance with Paragraph 8A.4.4.

Formatted: Font: Not Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Not Bold
Formatted: Font: Bold
Formatted: Font: Bold
Formatted: Font: Bold
Deleted: 2

**8A.4.3 Replacement of a Panel Member who ceases to hold office pursuant to Paragraph 8.5.1 (a), 8.5.1 (b) (ii) to (vi) (inclusive) or 8.5.1 (c) to (e) inclusive)**

**8A.4.3.1** Subject to Paragraph 8A.4.3.2, such Panel Member shall, where one or more Alternate Member(s) hold office, be replaced by the Alternate Member who previously received the highest number of cumulative Preference Votes but if there were a tie-break in relation to such Preference Votes then the tie-break provisions set out in Paragraph 8A.3.6.1 shall apply, in either circumstance such Alternate Member selected to be a Panel Member shall then become a Resigning Alternate Member and be replaced in accordance with Paragraph 8A.4.4.

Deleted: Where this Paragraph 8A.4.3.1 applies  
Formatted: Font: Bold

**8A.4.3.2** If there are no Alternate Members in office upon a Panel Member ceasing to hold office then:

Formatted: Font: Bold  
Formatted: Font: Bold

(a) Where there are not less than six (6) months remaining until the next full election further Panel Members shall be elected in accordance with Paragraphs 8A.2, 8A.3 and subject to the following Paragraphs 8A.4.3.3 to 8A.4.3.5 (inclusive) (the "Interim Panel and Alternate Election Process").

Formatted: Indent: Left: 0 cm, Hanging: 3.49 cm, Tabs: 1.9 cm, Left+ 3.49 cm, Left + Not at 2 cm  
Formatted: Font: Bold  
Formatted: Font: Bold

(b) Where there are less than six (6) months remaining until the next full election no further Panel Members or Alternate Members shall be elected pursuant to this Paragraph 8A.4.3 and the positions shall remain vacant until the next full election.

Formatted: Font: Bold  
Formatted: Font: Bold

**8A.4.3.3** Where this Paragraph 8A.4.3.3 applies, The Company shall indicate in the invitation referred to at Paragraph 8A.1.2.1 the number of vacancies for both Panel Member(s) ("Panel Member Interim Vacancies") and Alternate Member(s) ("Alternate Member Interim Vacancies") for which the Interim Panel and Alternate Election Process is being held.

Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold  
Formatted: Font: Bold

**8A.4.3.4** Any Panel Member(s) or Alternate Member(s) elected pursuant to the Interim Panel and Alternate Election Process shall cease to hold office at the next full election.

**8A.4.3.5** The timetable for the Interim Panel and Alternate Election Process shall be expedited and The Company shall prepare a timetable accordingly.

**8A.4.4 Replacement of a Resigning Alternate Member**

**8A.4.4.1** Subject to Paragraph 8A.4.4.2 a Resigning Alternate Member shall not be replaced.

**8A.4.4.2** If there are no Alternate Members remaining in office following the resignation of an Alternate Member or their appointment as Panel

**Member** in accordance with 8A.4.2 or 8A.4.3 then

- (a) Where there are not less than six (6) months remaining until the next full election further **Alternate Members** shall be elected in accordance with Paragraphs 8A.2, 8A.3 and subject to the following paragraphs 8A.4.4.3 to 8A.4.4.5 (inclusive) (the "**Alternate Election Process**").
- (b) Where there are less than six (6) months remaining until the next full election no further **Alternate Members** shall be elected and the positions shall remain vacant until the next full election

**8A.4.4.3** Where this paragraph 8A.4.4.3 applies, a reference in Paragraphs 8A.2 and 8A.3 to a **Users' Panel Member** or **Panel Member** shall not apply except in the case of Paragraph 8A.3.5.1 (d) where the reference to "**Panel Members**" shall be read and construed as a reference to "**Alternate Members**".

**8A.4.4.4** Any **Alternate Member(s)** elected pursuant to the **Alternate Election Process** shall cease to hold office at the next full election.

**8A.4.4.5** The timetable for the **Alternate Election Process** shall be expedited and **The Company** shall prepare a timetable accordingly.

**New definitions in Section 11**

"Interim Panel and Alternate Election Process" as defined in Paragraph 8A.4.3.2

Formatted: Font: Bold

"Panel Member Interim Vacancies" as defined in Paragraph 8A.4.3.3

Formatted: Font: Bold

"Alternate Member Interim Vacancies" as defined in Paragraph 8A.4.3.3

Formatted: Font: Bold

Formatted: Font: (Default)  
Arial



## ANNEX 2 – AMENDMENT PROPOSAL FORM

<b>CUSC Amendment Proposal Form</b>	<b>CAP:159</b>
<b>Title of Amendment Proposal:</b> Arrangements for CUSC Mid- Term elections	
<b>Description of the Proposed Amendment</b> <i>(mandatory by proposer):</i>  The objective of this amendment is to allow for a mid-term election of Panel Member and Alternates should a Panel Member resign or be unable to undertake their Panel duties and there are no elected Alternates to replace them.  It is proposed to introduce a mid term election process.  The process would be as the main elections which are held every 2 years CUSC 8A; in summary: <ul style="list-style-type: none"><li>▪ Notification would be issued stating an election with be held and the process including the timescales</li><li>▪ A nomination period for CUSC signatories to nominate a new representative</li><li>▪ Should more than one person be nominated then a voting process would take place as per the main CUSC Panel elections</li><li>▪ An voting period for all CUSC Signatories</li><li>▪ The nominee receiving the highest number of votes would become a Panel Member and the remaining nominee(s) would become alternate members for the remaining Panel term in accordance with CUSC 8A.3.7.1</li></ul> It should be noted that this facility would only be used if there was a 6 months term or more remaining of the Panel and all current Panel Members appointments would continue until the next main election.	
<b>Description of Issue or Defect that Proposed Amendment seeks to Address</b> <i>(mandatory by proposer):</i>  Currently there is no mechanism to allow for a mid-term election when a Panel Member resigns or is unable to continue with their Panel duties and there are no alternative Panel Members to replace them If a Panel Member leaves and is not replace for the duration of the Panel term then it increases the risk of Panel Meetings being unable to meet quorum.  It is proposed that the facility of mid-term elections should be allowed when a Full Panel Member leaves the Panel and there are no elected Alternates to replace them.	
<b>Impact on the CUSC</b> <i>(this should be given where possible):</i>  Amendment to Section 8A.	
<b>Impact on Core Industry Documentation</b> <i>(this should be given where possible):</i>  None	
<b>Impact on Computer Systems and Processes used by CUSC Parties</b> <i>(this should be given where possible):</i>  None	

<b>Details of any Related Modifications to Other Industry Codes</b> <i>(where known):</i>	
None	
<b>Justification for Proposed Amendment with Reference to Applicable CUSC Objectives**</b> <i>(mandatory by proposer):</i>	
National Grid believes that this proposal will better facilitate CUSC Applicable Objective (a) <b><i>(The efficient discharge by the licensee of the obligations imposed upon it under the Act and by the Transmission Licence)</i></b> by ensuring that the CUSC Panel has adequate membership to ensure quorum.	
<b>Details of Proposer:</b> Organisation's Name:	National Grid
<b>Capacity in which the Amendment is being proposed:</b> (i.e. CUSC Party, BSC Party or "energywatch")	CUSC Party
<b>Details of Proposer's Representative:</b> Name: Organisation: Telephone Number: Email Address:	Beverley Viney National Grid 01926 653547 Beverley.viney@uk.ngrid.com
<b>Details of Representative's Alternate:</b> Name: Organisation: Telephone Number: Email Address:	Emma Carr National Grid 01926 655843 Emma.j.carr@uk.ngrid.com
<b>Attachments (Yes/No):</b> <b>If Yes, Title and No. of pages of each Attachment:</b>	

### **ANNEX 3 – REPRESENTATIONS RECEIVED DURING CONSULTATION**

This Annex includes copies of any representations received following circulation of the Consultation Document (circulated on 14<sup>th</sup> December 2007, requesting comments by close of business on 14<sup>th</sup> January 2007).

Representations were received from the following parties:

<b>No.</b>	<b>Company</b>	<b>File Number</b>
1	Centrica	CAP159-CR-01
2	Scottish and Southern	CAP159-CR-02

<b>Reference</b>	CAP159-CR-01
<b>Company</b>	Centrica



Beverley Viney  
Amendments Panel Secretary  
Electricity Codes  
National Grid  
National Grid House  
Warwick Technology Park  
Gallows Hill  
Warwick  
CV34 6DA

By e-mail

Centrica Energy  
Millstream East  
Maidenhead Road  
Windsor  
SL4 5GD

Tel. (01753) 431426  
Fax (01753) 431150  
[www.centrica.com](http://www.centrica.com)

20 December 2007

Dear Beverley,

**Re: CAP159 – Arrangements for CUSC Mid-term Elections**

Centrica welcomes the opportunity to comment on CUSC Amendment Proposal CAP159.

The modification clearly improves the governance structure of the CUSC, and addresses a specific situation that has arisen due to a current lack of alternates.

We agree with National Grid's view that CAP159 better facilitates the achievement of CUSC Applicable Objective (a), and also that the proposal should be implemented as soon as is practicable following an Ofgem decision. The new CUSC election process should commence as soon as can be arranged, in order to avoid the risk of the CUSC Panel not meeting its quorum.

If you have any questions or comments relating to this response, please contact me on the number above or at [merel.kolfschoten@centrica.com](mailto:merel.kolfschoten@centrica.com).

Yours sincerely,

Merel van der Neut Kolfschoten  
Centrica Energy

**A *centrica* business**

Centrica plc - The group includes British Gas Trading, British Gas Services and Accord Energy  
Registered in England No. 3033654. Registered Office: Millstream, Maidenhead Road, Windsor, Berkshire SL4 5GD

<b>Reference</b>	CAP159-CR-02
<b>Company</b>	Scottish and Southern

Dear Sirs,

This response is sent on behalf of Scottish and Southern Energy, Southern Electric, Keadby Generation Ltd., Medway Power Ltd., and SSE Energy Supply Ltd.

In relation to the consultation concerning CUSC Amendment Proposal CAP159 "Arrangements for CUSC Mid- Term elections" (contained within your note of 17th December 2007) we agree with the view of National Grid that this Amendment Proposal would better facilitate the achievement of the Applicable CUSC Objective.

Regards

Garth Graham  
Scottish and Southern Energy plc

## ANNEX 4 – REPRESENTATIONS RECEIVED UPON THE DRAFT AMENDMENT REPORT

This Annex includes copies of any representations received following circulation of the Draft Amendment Report (circulated on 15<sup>th</sup> January 2008, requesting comments by close of business on 21<sup>st</sup> January 2008).

Representations were received from the following parties:

No.	Company	File Number
1	Scottish and Southern	CAP159 - AR-01

<b>Reference</b>	CAP159-AR-1
<b>Company</b>	Scottish and Southern

**From:** Garth.Graham@scottish-southern.co.uk [mailto:Garth.Graham@scottish-southern.co.uk]

**Sent:** Tuesday, January 15, 2008 10:17 AM

**To:** Viney, Beverley

**Subject:** Re: CUSC - CAP159 Draft Amendment Report

Beverley,

In principle I have no comments on the substance of the draft Amendment Report.

However I do have some 'typos'(!). Some, such as the references in 2.3 and 5.1 to 'Working Group' have been picked up, others not.

Could you please email me a 'Word' file so that I can record the revision marked changes? Thanks

As an aside, on the Implementation Date suggestion in 5.1/14.2, can we do it "immediately" or should it be the next Working Day?

Regards

Garth

*Note – Garth provided a change marked word version with the 'typos', these changes have been included in the Draft Amendment Report for vote.*

*The changes were in the following sections*

1.2 – with changed to will

1.3 – font change

2.1 – addition "and amended from time to time..."

3.1 – are changed to is and font change

3.2 – capital A and additional words of "members", "the" and "requirements".

3.3 – with changed to will

5.1 – are changed to were

14.1 – font change

*however comments on implementation timescales are requested during the consultation and are therefore not included in 5.1.*