

**Minutes and Actions Arising from Meeting No.57
Held on 28 July 2006
At National Grid Office, Northampton**

Present:

Richard Court	RC	Panel Chairman
Beverley Viney	BV	Panel Secretary
Andrew Truswell	AT	Panel Member (National Grid)
Malcolm Taylor	MT	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)
Simon Lord	SL	Panel Member (Users Member)
Simon Goldring	SG	Panel Member (Users Member)
Hugh Conway	HC	Panel Member (energywatch)
Steve MacKay	SM	Authority Representative

In Attendance:

Emma Carr	EC	National Grid
Rob Smith	RS	National Grid
Kathryn Coffin	KC	BSC Panel Representative
David Scott	DS	EDF Energy

1 Introductions/Apologies for Absence

725. Apologies were received from Simon Cocks, Ben Graff, Hedd Roberts, Dick Cecil and Bob Brown.
726. Bob Brown appointed Paul Jones as his Alternate.

2 Minutes of the Meeting held on 19 May 2006

727. The minutes of the 56th Amendments Panel meeting held on 19th May 2006 were AGREED subject to minor amendments.

3 Review of Actions

728. **Action 701** – Circulate CAP124 consultation – completed
729. **Action 720** – Industry Code Compliance Review Project – SM gave the Panel an update. Ofgem are keen to quantify the regulatory burden of the CUSC. They are in the initial stages of developing the project, and currently they do not have a favoured option. Ofgem are keen to ensure any option is proportional to the risk and should be applied consistently and transparently.
730. SM believes that the CUSC is less suited to self governance due to its nature. The CUSC currently is not in 2 parts, and may therefore take more work to amend to achieve some of the options than the other codes. SM requested the Panel's specific thoughts on the CUSC: what the benefits are with each option, and asked them to consider how much effort and how much resource their company would be willing to commit.

731. SM informed the Panel that there is a seminar planned for 23rd August 2006.
732. **Action 721** – Balancing Services Standing Group – Report circulated.
733. The Panel agreed that the Balancing Services Standing Group could stand down. This would be reviewed again at the October CUSC Panel.
734. PJ asked about Maxgen which was used in July. RS agreed to circulate a note of any discussions at the Ops forum on this topic.
735. **Action** – RS to circulate a note of any discussion at the Ops forum relating to the Maxgens on 18th July 2006.

4 New Amendment Proposals (as at 28/07/06)

736. None

5 Standing/Working Group Reports

737. None

6 Consultation Papers (as at 28/07/06)

738. None

7 CUSC Amendment Panel Vote

739. EC gave a presentation outlining CAP124 (Clarification of the withholding of payments for Operational Intertrips). CAP124 was then discussed by the Amendments Panel prior to the vote.
740. PJ expressed concern regarding the legal text as he believed the text within CUSC 4.2.A.2.2 (d) would be better drafted as “shall be deemed to have been disarmed” rather than “an instruction deemed to have been issued”. PJ also raised a concern regarding the interchangeable use of System to Generator Operational Intertripping Scheme and User Circuit Breakers within CUSC 4.2.A.2.1 (e) and 4.2.A.2.2 (d) when National Grid issues a signal or an instruction. PJ stated that the legal text may need to be amended at a later date.
741. EC confirmed to the Panel how the clauses would work operationally and that PJ's concerns would not affect the outcome or the intention of CAP124. EC confirmed it would be possible via a new Amendment to redraft the clause at a latter date to add clarity, if it was thought necessary.

742. The result of the Panel Recommendation Vote as to whether CAP124 BETTER facilitated the Applicable CUSC Objectives for the majority were as follows:

CAP124 original	- YES	- unanimous
CAP124 CAAA	- NO	- majority
CAP124 CAAB	- YES	- unanimous
BEST	- CAAB	- unanimous

Further details on these discussions can be found within the CAP124 Amendment Report.

743. RS gave a presentation outlining CAP107 (Redefinition of Response Energy Payment (REP) for Mandatory Frequency Response). CAP107 was then discussed by the Amendments Panel.

744. HC asked if there are any demand side Customers who would have to give mandatory frequency response.

745. **Action** – RS to confirm to HC any demand side Customers who would have to give mandatory frequency response.

746. In relation to the implementation date for the Original Proposal, PJ expressed the view that there had not been a big difference between National Grid and the Working Group, and at that stage it simply had not been clear what was required. MT therefore requested clarification from National Grid that the earliest possible implementation date for the Original Proposal was 1st April 2008.

747. RS outlined why National Grid required this lead time to implement the Original Proposal, highlighting that a considerable amount of IS development would be required, including robust end to end testing of key operational systems used in real time operation. Systems interfaces to both other National Grid systems but also to external market systems would need to be validated and tested. The software used within the Control Room is bespoke, and the earliest availability of the resource required for this work would be April 2007, given that it is fully employed on other industry initiatives and key operational requirements. Following this date, a period of 11 months to develop the changes would be required, hence the implementation date of 1st April 2008.

748. AT clarified that if the decision arrived in April 2007 the implementation date would remain the 1st April 2008, however if the decision was made after 30th April 2007 it would then be 11 months after the Authority's decision.

749. The Panel noted that a lot of good work had been carried out by the CAP107 Working Group.

750. The result of the Panel Recommendation Vote as to whether CAP107 BETTER facilitated the Applicable CUSC Objectives for the majority was as follows:

CAP107 Original	- No	- Equal split for and against.
CAP107 WGAA	- Yes	- unanimous
CAP107 WGAB	- Yes	- unanimous

CAP107 Best - WGAB - unanimous

Further details on these discussions can be found within the CAP107 Amendment Report.

751. The Panel then discussed and voted on the implementation date for the Original Amendment as there was a disparity between the Working Group and National Grid. The vote for implementation date is as follows:

CAP107 Original - majority voted for 1st April 2008

Further details on these discussions can be found within the CAP107 Amendment Report.

752. During the discussion on the implementation date some doubt was cast regarding whether the Panel was able to choose any date or if they had to opt for one of the options proposed by National Grid or the Working Group.
753. **Action** – AT to confirm whether the Panel could chose any date for future votes in consultation with Ofgem.
754. GG suggested that if the Panel had to choose one of the dates proposed by a Working Group, future Working Groups should do a formal vote and record this within the final Working Group Report.

10 Report on Other Industry Documents

755. MT stated that the BSC had met on 13th July. MT informed the Panel that the DTI intended to issue the Fuel Security Code in August. Zonal loses – Scaled Zonal losses have now been added to the proposed amendments, and all but P204 will be reviewed at the August BSC Panel Meeting. P204 is expected to be reviewed at the October Panel.
756. Unmetered supplies are currently being looked as part of the BSC Audit.

STC

757. AT updated the panel on STC developments, confirming that CA016 (the amendment backing off CAP097) had been implemented.

Grid Code

758. MT reported that at the 20th July Grid Code Panel meeting a Report on Offshore Transmission had been circulated. A copy of this report was then circulated to the CUSC Panel by National Grid. MT suggested to the CUSC Panel that this would be a major piece of work with implications on all codes especially CUSC.
759. RC asked the CUSC Panel if they would like a presentation on the issues surrounding Offshore Transmission. The Panel indicated that they would appreciate a presentation.
760. **Action** – RC to invite John Greasley to present to the CUSC Panel

11 Any Other Business

761. The Panel discussed whether there was any business for an August meeting. Currently there is no proposed business, therefore the Panel agreed provisionally to cancel the August CUSC Panel meeting providing no further business was proposed. The formal notification as per the CUSC would be issued at the appropriate dates.

12 Record of Decisions – Headline Reporting

762. 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

763. The next meeting was scheduled for Friday 18th August 2006, at National Grid, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA, however as there is currently no proposed business for this meeting it was agreed to provisionally cancel this meeting pending new business being proposed. Formal notification will be issued nearer to the date in accordance to CUSC.
764. If the August meeting is cancelled the next CUSC Panel will be on Friday 29th September 2006 at National Grid, Lakeside House, Northampton.