

## Users' Panel Members: alternate(s)

### September 25<sup>th</sup> CUSC Panel Meeting Minutes:

2182. AT presented a summary of the current provisions within the CUSC regarding Alternate Members and the Amendments Panel discussed the role of an alternate. DW stated in the past that it has not been clear what an Alternate Member's role has been in terms of voting, in terms of whether an alternate should make up his own mind on which way to vote or whether he should vote as instructed by the Panel Member on whose behalf he is voting. It was noted that further information or discussions at a Panel meeting may have a bearing on the way Panel Members vote and therefore an alternate may find it difficult to vote as instructed by the Panel Member he is representing prior to the Panel meeting.

2183 DB confirmed that the BSC is more specific about alternates and what they should or should not do and that any Panel Member acting as an alternate should be making his own decision. Elexon has previously taken legal advice on this and will arrange to circulate a guidance note that was produced.

**Action: DB to circulate Elexon guidance note on alternate voting**

2184. AT confirmed that from 1<sup>st</sup> October 2009, when Dave Wilkerson steps down, there will be no Alternate Member for the Amendments Panel. It was agreed that a Best Practice note should be produced and brought back to the October Amendments Panel meeting for further discussion.

**Action: National Grid to produce Best Practice note**

### Guidance on alternates

Please note this guidance does not form part of the CUSC, nor does deviation from the outlined guidance and best practice constitute a contravention of CUSC provisions (a summary of the CUSC provisions relevant to alternates is contained in Annex 1 to this document). The guidance has been prepared in order to assist Users' Panel Members and the Panel Secretary in applying the CUSC provisions regarding alternates. Where reference in this note is made to Panel Members this relates only to Users' Panel Members.

Please note that a distinction is made in the CUSC between the term Alternate Member and alternate:

Alternate Member: a person formally appointed in accordance with CUSC 8.6.2, with it being possible to elect up to five Alternate Members as part of the Amendments Panel election process. Alternate Members, where available, form a group from which Panel Members may select a person to act as their alternate.

alternate: refers to an Alternate Member or Panel Member being appointed on behalf of a Panel Member to act in their place for the purposes of a meeting of the Amendments Panel (the rights of such alternate are outlined in CUSC (8.6.5)).

1. Alternate Selection

- A Panel Member unable to attend a meeting of the Amendments Panel is able (though not required) to select an alternate to attend and act at the meeting on their behalf;
- If any Alternate Members are available, a Panel Member should first choose an alternate from the pool of Alternate Members available;
- Where more than one Alternate Member is available Panel Members must first choose an Alternate Member not already acting on behalf of another Panel Member;
- Once there are no Alternate Members left who have not already been chosen to act as alternate for another Panel Member, a Panel Member may choose an alternate from the pool of Panel Members or Alternate Members not already acting as alternate for more than one Panel Member;
  - Please note where there are no elected Alternate Members, Panel Members may, in the first instance, choose an alternate from the pool of Panel Members
  - The CUSC (8.6.4) allows for Alternate Members or Panel Members to act as alternate on behalf of more than one Panel Member.
  - As outlined above, a Panel Member may choose any Alternate Member or Panel Member not already acting as alternate for more than one Panel Member (8.6.2) (i.e. a Panel Member or Alternate Member may act as alternate on behalf of a maximum of two Panel Members)
  - For the purposes of best practice, where a choice of Alternate Members and/or Panel Members is available a Panel Member should first seek to appoint as alternate an Alternate Member/Panel Member not already acting as alternate of behalf of any other Panel Member.

2. Notification of alternate

- Once a Panel Member has identified an Alternate Member/Panel Member to act as alternate on their behalf the Panel Member should seek confirmation of acceptance of this role;
- Following acceptance by the chosen nominee to act as an alternate, the Panel Member should provide notification of the nominated alternate to the Panel Secretary in writing;
- This notification should be provided at the earliest opportunity – best practice being to provide notification in advance of the Amendments Panel “papers day” (i.e. five Business Days before each scheduled meeting of the Amendments Panel);
- Where notification has been received in advance of the Amendments Panel “papers day” for the next Amendments Panel meeting, the Panel Secretary will include notification of any alternates in the agenda and list of expected attendees, which will be circulated to all Panel Members and CUSC Parties (and posted on the Company Website);

- Where notification is received following the Amendments Panel “papers day” the Panel Secretary will endeavour to provide notification of alternates to Panel Members and CUSC Parties as promptly as possible.

### 3. *Action of alternates*

- An alternate effectively has the same rights as a Panel Member (detailed in CUSC 8.6.5);
- An alternate may cast one vote for each Panel Member by whom they are appointed (CUSC 8.6.5)
- Best practice should be for the chosen alternate to seek views from the Panel Member on whose behalf they are acting in advance of the meeting of the Amendments Panel;
- The alternate can then take account of these views following the discussion at the Amendments Panel meeting;
- However, the alternate will make their own decision on how to vote during the meeting – which may, or may not, be in line with the Panel Member’s view prior to the meeting.

## ANNEX 1: Summary of Existing CUSC Provisions

### **CUSC 8.6.2 – appointment of alternates**

- A Panel Member may appoint an alternate for any one panel meeting– by giving notice to the Panel Secretary
- A Panel Member must first choose an Alternate Member not already chosen by another Panel Member
- If there are no Alternate Members left who have not already been chosen the Panel Member may choose any Alternate Member or Panel Member not already acting as alternate for more than one Panel Member

### **CUSC 8.6.4 – notification of alternates**

- Panel Secretary shall promptly notify all Panel Members and CUSC Parties of appointments (or removal) by any Panel Members of alternates and publish on the Company website
- An alternate may act as alternate for more than one Panel Member

### **CUSC 8.6.5 – rights of alternates**

- An alternate shall cast one vote for each Panel Member by whom appointed (in addition to own vote where a Panel Member)
- Outlines the rights of an alternate (effectively the same as a Panel Member)

### **CUSC 8.9 – quorum**

- A quorum shall be six Panel Members who have a vote present in person or by their alternates (at least one of which appointed by the Company)