

Minutes

Meeting name	CUSC Modifications Panel
Meeting number	134
Date of meeting	30 March 2012
Location	National Grid House, Warwick

Attendees

Name	Initials	Position
Mike Toms	MT	Panel Chair
Emma Clark	EC	Panel Secretary
Antony Badger	AB	Haven Power (presenter)
Ian Pashley	IP	National Grid Panel Member
Patrick Hynes	PH	National Grid Panel Member
Abid Sheikh	AS	Authority Representative
Bob Brown	BB	Users' Panel Member
Fiona Navesey	FN	Users' Panel Member
Paul Mott	PM	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Simon Lord	SL	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Alex Thomason	AT	Code Administrator
Duncan Carter	DC	Consumers' Panel Member
Ivo Spreeuwenberg	IS	National Grid (presenter)

Apologies

Name	Initials	Position
Kathryn Coffin	KC	ELEXON
Barbara Vest	BV	Users' Panel Member

All presentations given at this CUSC Modifications Panel meeting can be found in the CUSC Panel area on the National Grid website:

<http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/Panel/>

1 Introductions/Apologies for Absence

3035. Apologies were received from KC and BV.

2 Approval of Minutes from the last meeting

3036. The draft minutes from the meeting held on 24th February 2012 were approved by the Panel, subject to minor changes.

3 Review of Actions

3037. **Minute 3004: GG to send email to former GSG Member.** GG confirmed that he had spoken to the former GSG member to thank her on behalf of the GSG for her contribution to the group, and that an email had been sent from the Code Administrator echoing these comments.

3038. **Minute 3005: BVi to email industry regarding the existence and activities of the GSG.** Complete.
3039. **Minute 3010: NG to publish updated GSG Terms of Reference.** Complete.
3040. **Minute 3011: NG to circulate link to draft Network Code, FAQ's and M&A document.** Complete
3041. **Minute 3015: IP to provide an update to the Panel on progress of work regarding how the European Codes will interact with the domestic codes.** IP advised that this will be an ongoing action and that progress is being made on this matter, and that further updates can be provided as appropriate. IP also noted that this will be an agenda item at the Grid Code Review Panel.
3042. **Minute 3032: Panel to provide views to PH on a process for dealing with potential outcomes of Project TransmiT with a view to discussing at March Panel meeting.** This action is discussed under Item 6 of the agenda.
3043. **Minute 3033: AS to provide Ofgem view on Project TransmiT process in the event that it leads to a Proposed CUSC Modification.** This action is discussed under Item 6 of the agenda.

4 New CUSC Modification Proposals

3044. AB began by providing some background to the three proposals (CMPs 206, 207 and 208) that had been raised by Haven Power. AB advised that Haven Power was launched in 2006 to serve the small to medium sized enterprise sector and has since expanded, following its acquisition by Drax Power Limited. AB advised that the background to raising the three proposals today was due to the substantial increase between the 2011/12 and 2012/13 TNUoS tariffs, the lack of signalling for locational differences in the Condition 5 Statement¹ and the underestimate of the 2011/12 average BSUoS. AB added that it is difficult to understand future charge liabilities and that this has a detrimental impact on customers and competition.
3045. **CMP206 – Requirement for National Grid Electricity Transmission to provide and update year ahead TNUoS forecasts.** AB presented on CMP206 and advised that it seeks to introduce into the CUSC a requirement to publish a year ahead forecast of Transmission Network Use of System (TNUoS) charges which would also be updated at regular intervals during the year.
3046. **CMP208 – Requirement for National Grid Electricity Transmission to provide and update forecasts of BSUoS charges each month.** AB explained that CMP208 seeks to introduce into the CUSC a requirement to produce accurate monthly updated forecasts of Balancing Services Use of System (BSUoS) charges for the current and following financial years.
3047. MT asked AB if consideration had been given to other processes and changes ongoing within the industry currently. AB advised that contact had been made with the National Grid charging team and that Haven Power are aware of the current and potential changes forthcoming. GG queried if it is appropriate to raise CMP206 and CMP208 under the charging methodology. AT advised that CMP206 and CMP208 had been accepted in good faith but that it was not clear if they are all issues that should be dealt with in the CUSC. PH noted that the Panel need to be mindful that

¹ Link to Condition 5 publications:

<http://www.nationalgrid.com/uk/Electricity/Charges/gbchargingapprovalconditions/5/>

these proposals are now in the process and that it is important to ensure that Ofgem's decision will not be bound by a process fault. PJ felt that both proposals looked like CUSC changes as opposed to charging methodology changes. AT suggested to the Proposer that the proposals could be withdrawn and re-submitted on CUSC Proposal Forms with a revised justification against the Applicable CUSC Objectives. AS asked AB if a discussion had taken place with National Grid prior to raising these proposals, to which AB responded that the National Grid charging team had been made aware of the proposals.

3048. GG noted that under the defect for CMP208, in terms of the reference to the format agreed by National Grid, this would need to be set out in the code in terms of the format in which this information would be provided. AB advised that the intention was to get this consensus on the format through the process.
3049. SL noted that for CMP206, there is a reference in the charging methodology under 14.14.8 in relation to the provision of information. PH responded that Section 3 of the CUSC contains the requirement for National Grid to provide information of this nature. The Panel discussed the possibility of changes being required under both the charging methodology and the CUSC and AT advised that if this were the case, then two separate changes would need to be raised. AB advised that he was not overly concerned about whether it is an obligation within the CUSC, or in the charging methodology, and that he would be happy to raise a complementary modification if that was required. DC queried whether the process would be delayed, or the outcome would be affected if the proposal was raised under a different process. AT responded that the processes should be the same, and therefore one would not take longer than the other. MT asked for Ofgem's view on this matter, and AS advised that Ofgem is planning to consult on network charging volatility in the next month which recognises that there are issues around certainty and predictability of network charges for users.
3050. AS asked the Panel to consider whether the Self-governance criteria for CMP206 and CMP208 is met, as they are both fundamentally about National Grid providing further information. GG asked if AS was able to advise when the consultation on network charging volatility was to be issued and AS responded that it was likely to be towards the end of April. GG suggested that an option for the Proposer could be to withdraw CMP206 and CMP208 whilst clarification is sought on which part of the code they should sit under, and also await the outcome of the Ofgem consultation.
3051. PJ pointed out that work on this subject has already started under the TCMF and asked PH what the next steps would be with that work in light of the new proposals and the Ofgem consultation. PH explained briefly for the benefit of the Panel the work that the TCMF had been covering, including seeking to provide more information within the Condition 5 Report and also providing quarterly reports under RIIO. PH echoed GG's comments that it may be prudent to await the outcome of Ofgem's work and added that the TCMF is still seeking views as to what could be included in the Condition 5 Report. IP advised that, in relation to CMP208, there are further developments aligning SO incentives so a delay would be beneficial to await the outcome of that work. BB asked what the likely timescales are for Ofgem to conclude any changes as a result of the consultation, to which AS responded that he was not able to give dates at this stage, but that the consultation will not result in changes to the charging methodology, rather it is relating to volatility concerns and movement of charges. AS added that the consultation period could last up to a maximum of 12 weeks after which the responses would be considered by Ofgem.
3052. FN highlighted that for a number of reasons, some outside of National Grid's control, TNUoS forecasting will be more unpredictable in the future. Making sure that all parties are aware of this relatively new issue and finding means of mitigating the

impacts on suppliers and generators is important. FN asked if Haven Power had been party to the TCMF and AB responded that they were aware that National Grid were doing some work in this area but that they had not seen any outcome. PH added that the TCMF had not been advised that these proposals were being raised but that National Grid were aware that they need to be forward-thinking in this respect. FN highlighted that the degree of forecasting is getting increasingly difficult so action needs to be taken to deal with this.

3053. AB advised that he believed CMP206 and CMP208 do not fit under the umbrella of Ofgem's proposed network charging volatility consultation and so should not be delayed. MT suggested that the Panel move on to looking at the options available for CMP206 in order to progress it. MT asked the Panel for their views on whether the proposal is a methodology change, CUSC change, or both. PJ noted that it should be either one or the other and not both. GG advised that he believed that it was more a Section 3 change than Section 14, but that he would welcome National Grid's view. PH responded that Section 3 is a statement of what the methodology is, and that his view is that it is a licence objective. AT pointed out that paragraph 3.14 of Section 3 is regarding revision of charges, so it seems logical for the proposal to sit under this heading. DC queried whether it was a strategic decision for Haven Power as to where they believe it fits. PH reiterated his concern that Ofgem may have to reject the proposal simply because it is in the wrong section of the CUSC. AS advised that the Panel has to be comfortable with which process it has been raised under so that assessment takes place against the appropriate objectives. MT summarised that it seemed to be sensible for CMP206 to be a CUSC change and the Panel agreed.
3054. The Panel considered whether CMP206 is Self-governance. PH commented that there will be consequential impacts on other parties as information would be required from Transmission Owners, and also that there is a material benefit providing this information as it would reduce risk premiums. The Panel agreed that CMP206 should not be progressed as Self-governance. Moving on to considering the Significant Code Review (SCR) on electricity transmission charging arrangements, AB advised that he believed that CMP206 should be progressed separately. PH added that he did not see the SCR as a barrier to taking CMP206 forward and PJ added that he did not believe there was a conflict. The Panel agreed that CMP206 should be exempt from the ongoing SCR. MT asked for Ofgem's view on this matter and AS replied that the view from Ofgem is that CMP206 is exempt from the SCR. The Panel agreed for CMP206 to progress to a Workgroup. AT requested that rather than wait until the next Panel meeting in April, once the CMP206 has been submitted on the new form, it could be agreed by the Panel and progressed efficiently. The Panel confirmed that they were happy to agree the new forms via email communication next week.
3055. The Panel moved on to deciding the progress of CMP208 and agreed that it would be re-submitted and agreed as above with CMP206 and would progress to a Workgroup once this has been done. The Panel agreed that it was not Self-governance and that it should be exempt from the SCR as there is no interaction. AS advised that the view from Ofgem is that CMP208 is exempt from the SCR. PH pointed out that whilst the principles for CMP206 and CMP208 are the same, there should be different Workgroups as it is relating to different information. The Panel agreed with this approach.

Action: AB to re-submit CMP206 and CMP208 on new forms to the Code Administrator for Panel consideration via email.

3056. The Panel considered the timescales for CMP206 and CMP208 in light of industry workload and the Easter holidays. The Panel agreed to a one month extension for

CMP206 and CMP208 in order to allow enough time for Workgroup nominations to be sent after the Easter break and for the forms to be re-submitted. The Authority Representative did not object to this extension.

3057. MT asked the Panel if they had any suggestion for the Terms of Reference for CMP206 and CMP208. PH suggested that the scope should cover considerations of the price control, particularly for the SO Incentives Scheme and also the Condition 5 Report. PJ added that the scope for linking when the forecasts are provided should also be considered by the Workgroup.

Action: EC to draft terms of Reference for CMP206 and CMP208 for Panel comment following re-submission on new forms.

3058. **CMP207 – Limit increases to TNUoS tariffs to 20% in any one year.** The Panel moved on to considering CMP207. AB advised that it seeks to amend the TNUoS charging methodology to revise the calculation of tariffs for generation and demand so that no tariff can increase by more than 20% in any one year. The Panel agreed that CMP207 is a methodology change and that it should not be treated as Self-governance. MT asked for views on whether CMP207 should be exempted from the SCR. PJ advised that he believed that it is part of the SCR and GG agreed. PH added that the SCR is concerned with the strength of the locational signal in TNUoS charges which could be impacted by CMP207. The Panel agreed that CMP207 falls within the scope of the SCR. MT asked AS for Ofgem's view on the matter and AS advised that he does not currently have a view and requested that the Panel's reasoning be submitted in writing to Ofgem and a view would then be provided. BB asked AS if the SCR looks at locational changes and AS responded that there have been no conclusions yet as to what will come out of the SCR. PH advised that from the perspective of the scope of the SCR, there is an interaction.

Action: EC to send letter to Ofgem on behalf of the Panel explaining views on the interaction with the SCR.

Action: AS to respond to letter with Ofgem view on CMP207 interaction with the SCR.

3059. AT advised that CMP207 needs to be progressed unless it is not exempted from the SCR by the Authority. AB suggested that it is preferable to wait for the Panel's view on exemption to be provided and a response from Ofgem to be received before beginning proceedings for a Workgroup. GG suggested that CMP207 is progressed on that basis, and if no response is received from the Authority within two weeks from sending the letter, then Workgroup nominations should be requested.

3060. PJ asked what the Terms of Reference for CMP207 could include. GG advised that the Workgroup need to understand what the existing arrangements are currently, and PJ suggested that they could also look at whether the percentage is the key, in terms of volatility. SL added that the group should look at how a percentage in a negative zone works and GG suggested that the group could consider if the 20% cap is absolute. PH added that the scope should include consideration of the ongoing transmission price control and the emerging OFTO regime. DC suggested an assessment of the materiality on generation and demand and an assessment of the broader impacts on generation and demand.

Action: EC to draft Terms of Reference for CMP207.

3061. **CMP202 – Revised treatment of BSUoS charges for lead parties of Interconnector BM Units.** PH advised that the CMP202 consultation had closed on 8th March 2012 and that 10 responses had been received. Following the post-consultation meeting on 15th March 2012, the Workgroup had voted by majority that CMP202 better meets the Applicable CUSC Objectives and the Workgroup Report will be presented to the Panel in April in line with the original timetable.
3062. **CMP201 – Removal of BSUoS Charges from Generation.** PH advised that 13 responses had been received to the CMP201 consultation which closed on 28th March 2012 and that a post-consultation meeting had been planned for 17th April 2012. PH advised the Panel that the responses had been varied and highlighted the key issues raised, namely the impact on suppliers and credit arrangements.
3063. **CMP203 – TNUoS Charging Arrangements for Infrastructure Assets subject to one-off charges.** AT advised that due to availability, the Workgroup had not been able to meet in order to hold its post-consultation Workgroup meeting to discuss the responses and hold the vote. Therefore, AT advised that the meeting had been re-scheduled to take place on 19th April 2012. AT asked the Panel for a 1 month extension to CMP203 due to the delays experienced with holding a Workgroup meeting. The Panel agreed to the extension. The Authority Representative did not object to this extension.

Action: AT to update CMP203 Terms of Reference with revised dates.

3064. **Governance Standing Group (GSG).** GG advised the Panel that no GSG meeting had been held since the last Panel meeting, and that the next GSG was scheduled to take place in April. GG suggested that this meeting is cancelled in light of the lack of agenda items and the workload that the industry is currently experiencing.

Action: NG to cancel April GSG and inform GSG members.

3065. **Joint European Standing Group (JESG).** IP advised the Panel that the last JESG had taken place on 23 February 2012 and went well. GG added that a workshop on CACM had been held on 15 March 2012. GG highlighted a concern regarding a number of code consultations stakeholder meetings organised by ENTSO-E that had been arranged for a Friday afternoon, a Monday morning, and a (GB) Bank Holiday (all in Brussels) and that this made it difficult and more expensive for industry members to travel to and attend these meetings. FN added that, in particular, this could be a significant issue for smaller parties. SL suggested that BV could write a letter raising this concern and the Panel agreed that this was a pragmatic way forward. GG agreed and noted that copying the letter to ACER, DECC and Ofgem would seem sensible.

Action: NG to contact BV to request a letter is drafted to ENTSO-E highlighting concerns regarding meeting dates.

3066. **Transmission Charging Methodology Forum.** PH ran through what had been discussed at the last TCMF meeting on 21 March 2012 and advised that the main agenda items had been on charging for offshore generators, forecasting of TNUoS charges, the Condition 5 Report and an update on Project Transmit.
3067. **Frequency Response Standing Group.** IP provided an update that there was a Workgroup meeting planned for 5 April 2012 for further discussion on the draft frequency response consultation document.

3068. IS presented some slides on considerations for potential Workgroups that may arise out of Project TransmiT. MT asked AS for a view on the current status of Project TransmiT. AS advised that the consultation closed in February and that the responses are being considered. MT asked if AS could give an idea of the likely timescales for raising any potential proposals and AS responded that in line with previous guidance, Project TransmiT is likely to conclude in April / May. GG pointed out that his understanding had been that it would conclude in May but highlighted a concern that the longer it takes to reach a conclusion on the SCR, the more difficult it would be for the CUSC process to conclude in a timely manner in terms of a possible 1st April 2013 implementation (if appropriate). AS commented that there has not been a change from the previous position so the timelines set out at the beginning remain the same.
3069. IS noted that the next Panel meeting is on 27 April 2012, and the GEMA meeting is on 19 April 2012 which coincides with CUSC Panel papers day, so it would seem unlikely that any potential modifications, if directed, would be raised in time for the April Panel meeting. FN acknowledged the difficulty for the Code Administrator in trying to plan for the potential workload from TransmiT with unconfirmed timescales. GG suggested that the Code Administrator write out to parties again, following the previous email sent regarding potential dates, to inform them that some of the suggested early meeting dates may not be required. However, AT felt that this would cause confusion and it would be preferable to write out to the industry once further developments have transpired. MT asked if AS could advise as soon as possible once Ofgem have further information on when a potential proposal may be raised.

Action: AS to advise on the likely timescales for potential Project TransmiT proposals.

3070. IS suggested some of the issues that a potential Workgroup may be required to discuss, including economic and environmental modelling. IS then moved on to discussing who may be best placed to chair any potential Workgroup meetings and advised that this role was traditionally performed by the Code Administrator. GG corrected that it was traditionally National Grid rather than the Code Administrator. BB pointed out that it may not be an optimum use of resource for the relevant business manager for National Grid to chair a Workgroup. GG gave some examples; such as those chaired by Panel members BB and PJ and CAP048; of situations where National Grid had not chaired Workgroup meetings to show that such occasions had occurred. MT asked AS for Ofgem's view and AS responded that Ofgem did not have a strong view on this matter and that the most important criteria was for the chair to be honest, competent and to act fairly and transparently in the eyes of the Workgroup and wider stakeholders. SL commented that he would be happy for it to be a National Grid chair as long as they show that they can act independently and challenge a National Grid view. The rest of the Panel agreed with this view. MT suggested that the Panel could ask him to carry out a review if they had any concerns. PJ added that it is beneficial for the relevant National Grid business manager to take on the role of the chair, of a Workgroup, to ensure that any actions are completed.
3071. IS moved on to looking at the structure of any possible Workgroups and noted that there could be several proposals raised as a result of Project TransmiT. PJ advocated one group to deal with any proposals rather than several different groups. GG suggested that two adjacent days a fortnight would be a more practical way to hold meetings in terms of travel arrangements for stakeholders. PJ noted a concern about allocating issues to days and that there needs to be flexibility. SL added that there is also a lot of important work ongoing within the industry outside of Project TransmiT and that it would be a busy time in terms of workload.

3072. AT noted that there are location issues, in terms of cost and also avoiding locations in London over the summer due to the Olympics. AT advised that the Code Administrator is receptive to industry views and preferences in terms of location and also added that although every effort will be made to avoid clashes with other meetings, this will not always be possible.
3073. GG ran through the three options in terms of the potential economic / environmental modelling (by the Workgroup) that were available; (i) National Grid use their own model; (ii) a Consultant uses the National Grid model; or (iii) a Consultant uses their own model. DC commented that the modelling costs are insignificant compared to the overall impact of Project TransmiT, so that the best model should be used. To ensure consistency with Ofgem's existing modelling on Project TransmiT DC noted that there seemed some merit in considering using Redpoint again. SL felt that National Grid should lead on the modelling as long as they are transparent. MT asked for an Ofgem view on this and AS advised that it is the Panel's decision and it would be useful for them to look at what has been done in the past and use that as a basis for further work. GG commented that the Panel need to be clear on the obligation to carry out an environmental assessment and MT summarised that the options and costs can be looked at in more detail when further developments arise.

7 European Code Development

3074. AS advised that an update had been provided in his email of 20th March 2012 with regard to EU code and other developments. AS added that the CACM Code is currently out for consultation² and closes on 23 May 2012. AS added that there is a Demand Connection Code workshop being held on 18th April 2012 in Brussels.
3075. GG advised the Panel that it had taken him over 6 hours to submit comments on the Requirement for Generators network code via the ENTSO-E web consultation interface so advised others to allow enough time to submit their comments. IP pointed out that over 6000 comments had been received by ENTSO-E on this consultation.
3076. PH advised that Ofgem had published an open letter on implementing the European Electricity Target Model in GB³ and also an open letter on Planning for an Integrated Electricity Transmission System,⁴ requesting views. PH added that it is important to be aware of these due to possible implications on the CUSC.
3077. FN advised the Panel that the Operational Security Network Code plan⁵ is open for stakeholder views.

8 CUSC Modifications Panel Vote

3078. **CMP204 – Consequential Change to Grid Code Modification D/11 (System to Generator Operational Intertripping Schemes).** EC provided the Panel with an overview of CMP200 and the key elements of the proposal. The Panel voted

² Link to consultation: <https://www.entsoe.eu/resources/network-codes/capacity-allocation-and-congestion-management/>

³ Link to document on Ofgem website:

http://www.ofgem.gov.uk/Pages/MoreInformation.aspx?docid=103&refer=Europe&utm_source=Ofgem+Website+Mailing+List&utm_campaign=e269637b22-Ofgem_Email_Alert3_28_2012&utm_medium=email

⁴ Link to Letter: <http://www.ofgem.gov.uk/Europe/Documents1/ITPR%20Open%20Letter%20-%20Final%20version%20-%2023%20March%202012.pdf>

⁵ Link to OS NC webpage: <https://www.entsoe.eu/resources/network-codes/operational-security/>

unanimously that CMP204 better facilitates the Applicable CUSC Objectives and so should be implemented. The table below contains the details for each vote:

Panel Member	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Overall (Y/N)
Simon Lord	Yes, agree with the Proposer's view.	Yes, it improves transparency and market efficiency.	Neutral.	Y
Ian Pashley	Yes, agree with Proposer's view.	Yes, agree with Proposer's view.	Neutral.	Y
Paul Jones	Yes, for same reasons as proposer.	Neutral as it does not facilitate competition but simply adds clarity.	Neutral.	Y
Paul Jones for Barbara Vest	Yes, as stated above.	Neutral, as stated above.	Neutral.	Y
Paul Mott	Yes, for reasons already provided.	Yes, improving clarity in turn improves competition.	Neutral.	Y
Bob Brown	Yes, same reasons as above.	Yes, same reasons as above.	Neutral.	Y
Fiona Navesey	Yes, as above.	Yes, as above.	Neutral.	Y
Garth Graham	Yes, as per Paragraph 6.1 of the CMP204 Consultation.	Yes, as per Paragraph 6.1 of the CMP204 Consultation.	Neutral.	Y
Duncan Carter	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y

3079. **CMP205: Clarification to the Mandatory Services Agreement.** EC provided the Panel with an overview of CMP205 and the key elements of the proposal. The Panel voted unanimously that CMP205 better facilitates the Applicable CUSC Objectives and so should be implemented. The table below contains the details for each vote:

Panel Member	Better facilitates ACO (a)	Better facilitates ACO (b)?	Better facilitates ACO (c)?	Overall (Y/N)
Simon Lord	Yes, it ensures the correct parameters.	Yes, improves clarity.	Neutral.	Y
Ian Pashley	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y
Paul Jones	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y
Paul Jones for Barbara Vest	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y

	stated.	stated.		
Paul Mott	Yes, it provides for the right incentives on the generator and National Grid.	Yes, improves clarity.	Neutral.	Y
Bob Brown	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y
Fiona Navesey	Yes, same as Paul Mott comments.	Yes, same as Paul Mott comments.	Neutral.	Y
Garth Graham	Yes, as per previous comments and the views in the Consultation.	Yes, as per previous comments and the views in the Consultation.	Neutral.	Y
Duncan Carter	Yes, for reasons already stated.	Yes, for reasons already stated.	Neutral.	Y

9 Authority Decisions as at 22 March 2012

3080. None

10 Update on Industry Codes / General Industry updates relevant to the CUSC

3081. GG advised that he had provided some advice to generators and suppliers in light of the fuel disruption situation that was unfolding.

3082. AS noted that Ofgem were currently looking at the responses received in relation to the recent consultation on Implementing Competition in Onshore Electricity Transmission. AS also advised that Ofgem are planning to issue an open letter soon on a follow up to the Code Governance Review in order to look at the role of the Code Administrator and how the processes have worked to date and whether some elements should be extended to other codes. GG suggested that it was perhaps premature to hold a review as, for example, no proposals had been raised as a result of an SCR and there have only been a handful of Self-governance proposals. AS responded that at this stage they were just seeking views and comments to see if any further work is required.

3083. AS also advised that an invite had been issued for the Code Administrators Working Group (CAWG) for 24 April 2012 following the previous meeting held on 7 March 2012. AS noted that this meeting was an open invitation.

3084. FN asked GG for an update regarding DECC's action plan to mitigate risks arising from solar storms. GG responded that information had been provided by the top 10 generators in GB to National Grid and that it had been hoped that this subject would be discussed at the E3C meeting in March but it now looked likely that this would be moved to the May E3C meeting. GG advised that a recent House of Commons Defence Select Committee Report had also looked at this and he would circulate the extract to Panel Members.

Action: GG to circulate extract from the House of Commons Defence Select Committee Report.

3085. PH advised the Panel that the responses to the Project TransmiT consultation were available on Ofgem's website.
3086. AT reminded the Panel about the possible upcoming modifications that were discussed at the Panel meeting in February. In addition to those mentioned previously, AT advised that a possible modification regarding credit may be raised by National Grid to enable virtual bank accounts to be more efficient and also that there may be a consequential CUSC change from BSC modification P276 'Introduce an additional trigger/threshold for suspending the market in the event of a Partial Shutdown' which is currently out for Workgroup Consultation. AT also added that the TCMF had been discussing a number of issues that could result in some proposals. PJ advised that one of these was a possible change regarding offshore charging.

11 AOB

3087. AT reminded the Panel to send in photos of themselves for publication on the National Grid CUSC webpage.

12 Next Meeting

3088. The next meeting will be held on 27th April 2012 at National Grid House, Warwick.