

Minutes

Meeting name	CUSC Modifications Panel
Meeting number	172
Date of meeting	27 th March 2015
Location	National Grid House, Warwick

Attendees

Name	Initials	Position
Mike Toms	MT	Panel Chair
Jade Clarke	JC	Panel Secretary
Alex Thomason	AT	Code Administrator
Ian Pashley	IP	National Grid Panel Member
Patrick Hynes	PH	National Grid Panel Member
Paul Mott	PM	Users' Panel Member
James Anderson	JA	Users' Panel Member
Michael Dodd	MD	Users' Panel Member
Paul Jones (dial-in)	PJ	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Kyle Martin (dial-in)	KM	Users' Panel Member
Bob Brown	BB	Consumers' Panel Member
Abid Sheikh (dial-in)	AS	Authority Representative
Wayne Mullins (part meeting)	WM	CMP242 Proposer

Apologies

Name	Initials	Position
David Kemp	DK	ELEXON
Simon Lord	SL	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://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Panel-information/>

1 Introductions/Apologies for Absence

4413. Introductions were made around the group. Apologies from David Kemp and Simon Lord.

2 Approval of Minutes from the last meeting

4414. The minutes from the last regular Panel meeting held on 27 February 2015 were approved subject to changes and are now available on the National Grid website.

3 Review of Actions

4415. **Minute 4377: AS to clarify Significant Code Review application to distribution charging** – Complete – AS noted that a Significant Code Review (SCR) had been extended to distribution in the past. GG questioned whether there was anything within the Distribution Code in reference to SCRs and their application to the Code. AS took this away and later circulated a note to the CUSC Panel.

[Post meeting update: AS circulated a link to the Constitution and Rules of the Distribution Code Review Panel¹ referring to 21(h) which explains the SCR process and what happens to Distribution Code proposals which are in process during an ongoing SCR.]

- 4416. **Minute 4381: Code Administrator to produce draft factual statement to submit to the CMA on behalf of the CUSC Panel by 13th March 2015** – Complete – It was noted that AT had circulated this paper to the CUSC Panel before submitting to the CMA. The Panel thanked the Code Administrator for producing this paper.
- 4417. **Minute 4392: Code Administrator to update GSG Terms of Reference** – Complete – JC noted that the GSG Terms of Reference had been updated and would be circulated to the CUSC Panel.
- 4418. **Minute 4410: PH to consider approach for reviewing Construction Agreements** – Complete – PH noted that some additional clauses had been inserted into the Construction Agreements to seek additional information about project progression. PH noted that National Grid have looked at publishing an open letter seeking views on the new clauses and will be publishing this in early April 2015. PH noted that this may result in a CUSC Modification Proposal.

4 New CUSC Modification Proposals

- 4419. **CMP242 ‘Charging arrangements for interlinked offshore transmission solutions connecting to a single onshore substation’** – WM presented on the background and key points of CMP242. WM noted that CMP242 is being proposed by National Grid Electricity Transmission Plc and seeks to ensure that both circuits linking offshore platforms connecting to a common onshore substation and additional capacity that can be utilised on export cables to shore by offshore generation as a result are appropriately charged.
- 4420. WM noted that in some cases multiple generators can access the Main Interconnected Transmission System (MITS) via a single onshore substation. By installing an additional transmission circuit (or ‘interlink’) between two offshore generators separately connected to the MITS substation via separate circuits, a level of security can be provided to both generators as the interlink will be held in open standby until one of the two circuits to shore becomes unavailable.
- 4421. WM noted that under the current charging methodology, the cost of providing additional security would not be reflected in the local circuit charge, however some offshore developers are considering developing interlinks for some of their forthcoming projects and therefore there is a need to develop an appropriate cost reflective charge for these interlinks.
- 4422. WM presented three scenarios which CMP242 would need to apply to, stating that these could be discussed in further detail if it were to be developed by a Workgroup. WM also noted that it would be worth considering whether associated charges for the interlink would change if a generator changes its TEC as it is proposed that the cost of the interlink is based on the TEC and share of the interlink.
- 4423. WM noted that CMP242 better facilitates Applicable CUSC Objective (a) by targeting associated costs to the generator using the interlink rather than being incorporated within the residual charge to all generation. CMP242 also meets Applicable CUSC

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<http://www.dcode.org.uk/assets/files/DCRP%20constitution%20and%20rules/GBDCRP%20Constituti on%20and%20Standard%20Procedures%20September%202014.pdf>

Objective (b) as it will result in generation charges that reflect the cost of transmission assets provided as part of an interlinked solution. WM also noted that CMP242 better facilitates Applicable CUSC Objective (c) by ensuring that the TNUoS Charging Methodology better takes account of interlinked offshore transmission solutions.

4424. WM welcomed questions from the CUSC Panel on his Modification Proposal. GG questioned whether it would be a requirement that both generation parties have agreed to the interlink being installed or whether it would be mandatory. The Panel agreed to include this within the Workgroup Terms of Reference. GG also asked what would happen if the interlink is being used as a transmission circuit by onshore generation. WM noted that this Modification is about deciding how to charge for the interlink only.
4425. GG also noted that a Workgroup should consider what would happen if further interlinks are installed when another generator connects offshore which hasn't been factored into the costs of the initial generator.
4426. MD questioned whether there are instances of this issue onshore. WM noted that this potentially could happen onshore, however the interlink could be held in open standby offshore and this tends not to happen onshore. WM also noted that on the onshore system, there would be a double circuit.
4427. BB queried whether the Workgroup should also consider the onshore system. PH noted that this is a much broader issue about spare capacity on the system and User Commitment, and should be kept separate from CMP242 as CMP242 is purely about charging arrangements for the interlink. JA noted that the defect has highlighted an issue with Charging Arrangements, not User Commitment so therefore the Workgroup shouldn't be discussing this. The Panel agreed to guide the Workgroup towards treating this Modification as a Charging issue.
4428. GG also asked the Proposer, when referring to his diagrams within the presentation slides, whether if a cable is unavailable and generator 2 is using generator 1's cable, whether generator 2 would contribute towards the costs of that cable. WM noted that generator 1 would have firm access and generator 2 would have non-firm access, therefore would not pay anything towards this. GG noted that with the timescales involved for repairing offshore cables that this could be over a long period of time so the Workgroup should consider whether anything should be paid by the second generator for the use of generator 1's cable.
4429. The CUSC Panel agreed that CMP242 should not be considered as Self-Governance and should be developed by a Workgroup and gave an initial Workgroup timetable of six months reporting back to the September CUSC Panel meeting. The CUSC Panel agreed that the following discussion items should be included within the Workgroup Terms of Reference;
- a. Should installation of an interlink be mandatory or optional for offshore generation connecting to a common onshore substation?
 - b. Should a generator contribute to the cost of another generator's cable when having non-firm access to the onshore substation?

5 Workgroups / Standing Groups

4430. **CMP223 'Arrangements for Relevant Distributed Generators under the Enduring Generation User Commitment'**. CMP223 seeks to achieve fair and transparent treatment of relevant distributed generators in terms of transmission

system securities and liabilities. CMP223 was sent back from the Authority in October 2014 to be revised and resubmitted. At the October 2014 Panel meeting, the Panel decided to send CMP223 back to the Workgroup.

4431. JC presented the CMP223 Workgroup Report to the CUSC Panel noting that the Workgroup confirmed their votes would remain the same as recorded in the Original Workgroup vote, therefore concluding that WACM3 is the best option and therefore should be implemented.
4432. The Authority Representative was asked whether they were content that the Workgroup has included the additional information requested within the Authority send-back letter. AS noted that the Authority Representative on the Workgroup was happy that this had now been included.
4433. BB questioned whether there would be a DCUSA Modification proposed as a result of CMP223. WM noted that this was the case and a DCUSA Modification may be raised in order to pass on the User Commitment arrangements. PH noted that he had attended a Commercial Operations Group (COG) meeting with two CMP223 Workgroup members and that the Distribution Network Operators (DNOs) had taken an action to raise a DCUSA Modification. GG suggested that a statement from the COG could be included within the Final CUSC Modification Report to the Authority noting the progression of this issue under DCUSA as a DCUSA Modification.
4434. The Panel agreed that the CMP223 Workgroup had met their Terms of Reference and that CMP223 should now progress to Code Administrator Consultation.
4435. GG requested that CMP223 should be sent out for a 20 Working Day consultation to take account of bank holidays throughout April and May 2015. The Panel agreed with this. GG also noted that it should be made clear which sections have been updated since the Authority sent back CMP223. JC noted that she would include something in the report summary and email to industry to clarify this.
4436. **CMP227 'Change the G:D split of TNUoS charges, for example to 15:85'**. CMP227 seeks to change the Generation/Demand split of TNUoS charges, reducing the proportion of TNUoS charges paid by generators. JC noted that the CMP227 Workgroup met on 3rd March 2015 with the intention of voting on the Original and agreed WACMs. At this meeting a Workgroup member presented further analysis and there was a request for additional analysis to be completed, therefore the Workgroup did not feel in a position to vote at this meeting. JC noted that she had requested a one month extension from the CUSC Panel via email prior to the CUSC Panel meeting. JC noted that the Workgroup availability for proposed meeting dates was poor and requested another one month extension to allow Workgroup members enough time to consider analysis before a Workgroup vote and to arrange a meeting where the majority of Workgroup members were able to attend.
4437. BB noted that whilst the Workgroup needs intelligent analysis to support a decision, this Workgroup timetable has had a lot of extensions. AS noted that whilst Workgroups are encouraged to be efficient, if the Workgroup needs to undertake analysis, it's important to take their time to complete this accurately and come to appropriate robust conclusions. The Panel agreed the two month extension, however, whilst the Panel agrees that it is important to allow time for appropriate analysis to be completed and adequately reviewed by the Workgroup before a vote takes place, the Panel requested that the CMP227 Workgroup now endeavour to make their final conclusions and report back to the May 2015 CUSC Panel.
4438. **CMP235/CMP236 'Introduction of a new Relevant Interruption type / Clarification of when Disconnection Compensation payments can be expected'**

under Relevant Interruption'. CMP235/CMP236 aims to amend the description of an Interruption to include a type of Emergency De-energisation and seeks to clarify that where station supplies are disconnected solely by National Grid plant or apparatus and the effect of this is to lose the generating units' output, that this is a Relevant Interruption and, that under the CUSC, Interruption payments can include these situations.

4439. JC presented the Workgroup report to the CUSC Panel noting that the Workgroup received six responses to their Workgroup Consultation of which the majority were supportive of the Proposal and the proposal implementation approach. JC noted that out of the Workgroup members that voted, the majority (3 out of 5) voted that WACM4 is the best solution and therefore should be implemented.
4440. GG noted that the Panel had not seen the legal text for CMP235/236 as it was still being reviewed by the Workgroup and therefore accepts the Workgroup have met their Terms of Reference on the grounds that legal text will be circulated to the Panel once it is agreed by the Workgroup. AS questioned whether there would be time for this review within the timetable. JC noted that the latest the Code Administrator Consultation could be sent out would be 10th April 2015, so therefore there would be time to circulate this to the CUSC Panel before issuing the Consultation.
4441. The Panel agreed that the Workgroup had met their Terms of Reference and agreed for CMP235/236 to proceed to Code Administrator Consultation for a period of 20 Working days.
4442. AT noted that there have been some concerns raised on CMP235/236 by the Proposer throughout the Workgroup process and presented slides to the CUSC Panel covering views of different parties involved within the Workgroup process. AT noted that she was not directly involved in the Workgroup process as Chair, Code Administrator or National Grid representative.
4443. MT informed the Panel that he had received a call from a representative of the Proposer who had two points to share with the Panel, these were;
- a. The Workgroup should have been quicker to close down early issues so that they could discuss more substantive issues later on in the Workgroup process.
 - b. He thought there was a particular obligation on the Code Administrator and National Grid to push the modification forward.
4444. MT noted that the Proposer's overwhelming objective was to now get this sent to the Authority.
4445. AT noted that she had discussed the Workgroup process and concerns raised with the Proposer, Chair and Technical Secretary of the Workgroup. AT summarised these concerns as being;
- a. Potential filibustering by Workgroup members
 - b. Issues should have been closed down earlier by the Workgroup
 - c. There was a lack of clarity around the WACMs recorded within the Workgroup report.
 - d. Not all Workgroup members were able to vote due to not attending the meeting where the vote took place.
 - e. Workgroup members that did vote asked to make changes to their votes following the meeting.

4446. GG noted that he was one of the Workgroup members who did not attend the final meeting to vote as the meeting for the CMP241 Workgroup was held on the same day.
4447. AT summarised her thoughts on the concerns as follows;
- a. The Workgroup process lasted for six months and the Workgroup had four meetings whilst dealing with what were essentially two modifications which had been amalgamated. There were two extensions requested to the Workgroup timetable, the first as a result of having a 20 Working day consultation over Christmas and the second one as Workgroup members did not feel that the Modifications were developed to a stage where they were comfortable voting.
 - b. AT did not consider there to be any intentional filibustering of the process by Workgroup members and noted that there was a mixed level of expertise within the Workgroup.
 - c. There was a lack of knowledge on the Grid Code in the Workgroup and there may have been an expectation that the Code Administrator should have this knowledge which was not the case.
 - d. The WACMs were agreed within the final meeting and the Workgroup were happy to vote within the meeting.
 - e. The main alternative to the Original solution was circulated prior to the meeting and within the meeting it was amended and changed owners. There was some confusion around whether this would reference the Grid Code or the SQSS, however the National Grid representative clarified this within the meeting with a colleague.
4448. AT noted that based on the feedback she had received; it seemed that due process had been followed; however the Proposer had raised concerns that need addressing.
4449. GG noted that as this was a not a charging modification, delaying the process would not cause a substantive delay to implementation of the modification that might arise, say, with a charging modification and the '1st April' implementation date so therefore did not consider there to be any intentional filibustering of the process.
4450. MD questioned whether it was clear to the Workgroup from the start of the process that CMP235 and CMP236 had been amalgamated and that there would be two WACMs to progress these separately. GG noted that as a Workgroup member he felt that this was clear from the start of the Workgroup process.
4451. AT noted that by having two modifications amalgamated, this added confusion around the voting. She noted that in the past two modifications have been progressed separately, however alongside each other which seemed less confusing when voting.
4452. MD's view was that Workgroup members shouldn't be allowed to change their vote following a meeting and that they should only be able to provide additional reasoning for why they voted that way at the meeting. BB agreed with this view and noted that if a Workgroup member changes their view following the Workgroup vote, they have an opportunity to explain this within the Code Administrator Consultation.
4453. PH thought that in some cases, the Workgroup will need time to consider WACMs which are agreed within the final meeting and it may be sensible to hold a teleconference to vote a few days later or vote by e-mail. AT noted that there was also pressure on the Code Administrator to progress this Modification quickly both from the Proposer throughout the process and from more than one Workgroup member within the final meeting.

4454. PH noted that there may be an issue with understanding the Workgroup's role in assessing the defect and not the solution and there may be scope to review the Workgroup Terms of Reference.
4455. BB noted that there seems to be two issues around clarification when voting and due time to consider any WACMs. PH reiterated that raising WACMs in the same meeting as voting can be confusing and it should be considered whether this needs changing. JA advised that if you held the vote separately by teleconference, this wouldn't take too long. PH stated that voting by email has also proved to be quite efficient in the past. AT noted that whilst voting by email could be efficient, it doesn't allow the Workgroup to listen to others' rationale for voting how they do.
4456. GG suggested discussing the issues raised by AT on CMP235/236 at the Governance Standing Group. This would include having legal text before a vote, voting process, voting by email and WACMs being raised before a final meeting. The Panel agreed with this approach.

ACTION: GG to discuss issues raised by CMP235/236 lessons learnt at next GSG.

4457. JA asked whether National Grid would be assessing whether they can improve transparency within their reporting on Relevant Interruption claims in line with paragraph 4.19 of the CMP235/236 Workgroup report. GG noted that the Workgroup felt more information was needed within the Code Administrators Reports to the CUSC Panel and asked if the Code Administrator could provide more information on the type of disconnection so that the Panel could recognise any trends in the types of claims being received. JC took an action to see if this information could be provided.
4458. **ACTION: JC to find out if it is possible to include additional information on Relevant Interruption claim reports to CUSC Panel.**
4459. **CMP237 'Response Energy Payment for low fuel cost Generation'**. CMP237 seeks to take into account the different costs of generators with low or zero energy costs by setting the Response Energy Payment at £0/MWh for certain types of generation. JC noted that the Workgroup had met on 5th March 2015 to review the analysis presented by Drax Power to support their Workgroup Consultation Alternative Request. This analysis highlighted another issue which the Workgroup discussed and agreed should be included within CMP237 rather than raising another Modification which ultimately could delay progress of CMP237. The Proposer changed his original solution to cover both the original defect and this additional issue. The Workgroup wanted to re-consult with the Industry as the Original solution and potential alternatives had now changed to cover this additional issue. The second Workgroup Consultation was issued on 24th March 2015 and it was agreed to send this out for 20 Working Days to take account of the bank holidays throughout April 2015. JC noted that the Panel had previously agreed to a three month extension to the Workgroup process and the Workgroup still aims to report back to the May 2015 CUSC Panel meeting.
4460. AT clarified that the solution had changed as there was an additional defect identified by the Workgroup and for process reasons of efficiency; this has been included within CMP237 rather than raising another Modification Proposal.
4461. PH noted that whilst he agreed with the Workgroup including this additional issue within the defect of CMP237 and consulting again, advised that the Workgroup

should have reported back to the CUSC Panel and requested permission to do this. The Panel agreed that this should be the precedent for similar situations in the future.

4462. **CMP239 'Grandfathering Arrangements for the Small Generator discount'**. CMP239 seeks to implement 'grandfathering' arrangements in the CUSC from the expiry of Licence Condition C13 on 31 March 2016. The proposed arrangements would apply to those generators that currently receive the small generator discount and also to those generators that will connect by 31 March 2016 that would be eligible to receive a small generator discount. JC noted that the Workgroup met on 13th March 2015 and voted on the Original and three WACMs. Out of those Workgroup members that voted in the meeting, half voted that WACM3 was the best option and half voted that the Baseline was the best option when assessing the options against the Applicable CUSC Objectives. The Workgroup still aim to report back to the April 2015 CUSC Panel meeting.
4463. **CMP241 'TNUoS Demand Charges during the Implementation of P272'**. JC noted that at the Special CUSC Panel on 23rd March 2015, the Panel unanimously agreed that CMP241 should be implemented. The Final CUSC Modification Report was sent to the Authority on Wednesday 25th March 2015. MT thanked the Panel for their efforts convening for the Special CUSC Panel meetings to progress CMP241.
4464. **Governance Standing Group (GSG)**. GG advised that there has been no GSG meeting since the last CUSC Panel meeting. However, it was noted that GG had taken an action earlier in the meeting to discuss issues at the GSG so would be looking to re-forming this group in the near future. GG noted that the Terms of Reference may need to be reviewed for the group, especially focussed on the quorum as the group has struggled to get five attendees in the past. GG suggested sending out an email when reforming the group to request new members.
4465. **Transmission Charging Methodologies Forum (TCMF)**. PH noted that there had been a TCMF meeting on 12th March 2015. PH noted that there had been discussions on CMP241, BSUoS stability, Western Isles Anticipatory Investment and charging for offshore interlinks. PH noted that the TCMF had discussed the possibility of a changing G:D Split with the ongoing CMP227 'Change the G:D split of TNUoS charges, for example to 15:85' and a pending decision by the Commission to either accept ACER's opinion on the appropriate range of transmission charges or not. The TCMF considered whether there is anything that could be done if the Commission decides to accept ACER's opinion and the G:D split changes.
4466. PH also noted that the TCMF reviewed their priorities for discussion at the forum and considered whether to make any changes to the Terms of Reference in order to allow the group to discuss issues which are not related to transmission charging.
4467. **Commercial Balancing Services Group (CBSG)**. JC advised that there has been no CBSG meeting since the last CUSC Panel meeting and that the next meeting which was planned for 5th March 2015 has been cancelled due to lack of agenda items. JC advised that the agenda for the next meeting is currently being drafted and agreed to send this to the CUSC Panel once it had been confirmed.
4468. **Balancing Services Standing Group (BSSG)**. JC advised that there has been no BSSG meeting since the last CUSC Panel meeting. This group is currently in abeyance.

6 European Code Development

4469. AS noted that an EU Update had been circulated to Panel members prior to the meeting. AS also suggested that this agenda item is used to update the Panel on

Ofgem's EU updates only rather than general EU updates and encouraged Panel members to sign up to the JESG weekly updates provided by National Grid.

4470. **Joint European Stakeholder Group (JESG).** GG advised that the first JESG meeting was held on 17th March 2015 at which the Terms of Reference were agreed by attendees. GG advised that he had not attended this meeting, however gave the following update. The new website had been created for the new group and the websites for the old groups; Joint European Standing Group and European Code Coordination Application Forum; were still available.
4471. GG noted that there were discussions and updates on a number of Codes including Requirements for Generators (RfG), Capacity Allocation and Congestion Management (CACM) and the System Operation codes. GG advised that the Emergency and Restoration Code (ER) is expected to be submitted to ACER for review on 1 April 2015 and noted that a Subgroup on ER has been arranged for 14th April 2015.

7 CUSC Modifications Panel Vote

4472. There were no votes that this meeting

8 Authority Decisions as at 19 March 2015

4473. **CMP240 'Amending the Cancellation Charge liability within a CMP213 Judicial Review Period'** - AS stated that the Authority decided to approve CMP240 and this modification was implemented on 12th March 2015.
4474. **CMP238 'Application of Statement of Works process when a modification application is made'** - AS stated that the Authority decided to approve CMP238 and this modification was implemented on 26th March 2015.
4475. AS also noted that Ofgem were expecting to make a decision on CMP241 before the 1st April 2015 proposed implementation date.

[Post meeting note: The Authority decided to approve CMP241 on 30th March 2015 and this was implemented on 1st April 2015.]

9 Code Administration Code of Practice – Draft Principle 13

4476. AT noted that the Code Administrators have been having general discussions about cross Code coordination and what can be done to help facilitate this and as a result have drafted an additional Principle (13) for the Code Administration Code of Practice (CACoP). By following draft Principle 13 Code Administrators will ensure cross Code coordination to progress changes efficiently where modifications impact multiple Codes. AT ran through the guidance provided on meeting the draft new Principle (13) which would be included within the CACoP.
4477. GG noted that generally, within cross Code changes, the majority of the changes needed will be to one code with consequential housekeeping changes to another. GG noted that when this is the case, the main modification shouldn't be delayed in order to progress housekeeping changes to another Code.
4478. PH noted that there are two issues which should be considered when drafting this new Principle 13, these were; 1) identifying where there are cross Code issues, and; 2) the process when these issues are identified. He also noted that this draft principle focuses on 2) and should include some guidance around 1).

4479. BB noted that it can be difficult to tease out the implications of a modification and there is an ability to have cross Code knowledge within Workgroups and that this should not necessarily be the responsibility of a Code Administrator. AT asked the Panel if they had any suggestions on how cross Code issues could be identified. GG suggested Code Administrators sending out new modification to other Code Administrators once they have been raised. PH thought that identifying cross Code issues should be the responsibility of the Workgroup and that this can be included within the Workgroup Terms of Reference. GG noted that the first point within the draft CACoP principle 13 should be changed to make it clear it is not the Code Administrators responsibility to identify cross Code issues.
4480. MT asked the Panel to provide any further comments on the draft Principle 13 to the Code Administrator. AT noted that these comments would be fed back to ELEXON who are leading the current review of the CACoP, a further draft will then be developed and consulted on before sending to the Authority to include within the CACoP. MT noted that the Code Administrators were leading the introduction of this new Principle, however encouraged the Panel to provide comment as there is likely to be cross code changes with the introduction of the EU Codes.

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

4481. AS noted that Ofgem published a forward work plan for 2015/2016 on 25th March 2015. He noted that in light of the CMA investigation on governance, Ofgem are considering a post implementation review of previous code governance reviews and that a document is expected to be published over the next few weeks (during Q1 2015/16) in which they will be seeking views from the Industry on the outcomes of the Code Governance Reviews and whether these have been effective.
4482. GG noted that as the CMA itself will be running a similar review; stakeholders may get confused if Ofgem do this also. AS noted that Ofgem is working with, and is aware of, the CMA's work and would be mindful of this work in undertaking its post implementation review.
4483. GG noted, with respect to post implementation reviews by UK regulators (such as Ofgem), that the House of Lord recommendations² in this area should be taken into account; and in particular their recommendation³ that the target(s) that the post implementation review was assessing against should be those set at the time the regulator announced / implemented the policy - rather than setting the targets of 'success' (or 'failure') many years later.

[Post meeting note: The House of Lords recommendation(s) was published in November 2007. Both Ofgem Code Governance Reviews commenced (and concluded) after that date.]

4484. MT noted that as the Panel now knows there will be a review on governance, both from Ofgem and the CMA, they should organise their thinking on issues surrounding governance and consider what questions they may be asked. MT noted that the Panel may wish to consider response to such questions like how the management of the CUSC should be taken forward. PH noted that as those on the Panel are

² <http://www.publications.parliament.uk/pa/ld200607/ldselect/ldrgltrs/189/189i.pdf>

³ "Meaningful evaluation is not possible without clear targets and objectives. The regulator's original IA should set such targets in anticipation of a post-implementation evaluation"

independent Panel members, they may have a different view as a Panel to the view of their companies.

4485. GG suggested that, if the Panel were asked to be called together to produce something in response to the CMA, this may be done within a Special CUSC Panel meeting and proposed the date of 28th May 2015, the day before the May CUSC Panel meeting. The Panel were supportive of this approach. MD noted that the Panel should also consider whether they would want legal representation at this meeting as an observer.

11 AOB

4486. No AOB was raised at this meeting.

12 Next meeting

4487. The next standard CUSC Panel meeting will be held on 24th April 2015 at National Grid House, Warwick.