

Workgroup Terms of Reference and Membership

TERMS OF REFERENCE FOR CMP213 WORKGROUP

Responsibilities

1. The Workgroup is responsible for assisting the CUSC Modifications Panel in the evaluation of CUSC Modification Proposal CMP213 "Project TransmiT TNUoS Developments", tabled by National Grid Electricity Transmission plc at the CUSC Modifications Panel meeting on 29 June 2012.
2. The proposal must be evaluated to consider whether it better facilitates achievement of the Applicable CUSC Objectives. These can be summarised as follows:

Use of System Charging Methodology

- (a) that compliance with the use of system charging methodology facilitates effective competition in the generation and supply of electricity and (so far as is consistent therewith) facilitates competition in the sale, distribution and purchase of electricity;
 - (b) that compliance with the use of system charging methodology results in charges which reflect, as far as is reasonably practicable, the costs (excluding any payments between transmission licensees which are made under and in accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard condition C26 (Requirements of a connect and manage connection);
 - (c) that, so far as is consistent with sub-paragraphs (a) and (b), the use of system charging methodology, as far as is reasonably practicable, properly takes account of the developments in transmission licensees' transmission businesses.
3. It should be noted that additional provisions apply where it is proposed to modify the CUSC Modification provisions, and generally reference should be made to the Transmission Licence for the full definition of the term.

Scope of work

4. The Workgroup must consider the issues raised by the Modification Proposal and consider if the proposal identified better facilitates achievement of the Applicable CUSC Objectives.
5. In addition to the overriding requirement of paragraph 4, the Workgroup shall consider and report on the following specific issues:

Network Capacity Sharing

- a) whether intermittent generation should contribute to the peak element of the tariff
- b) whether load factor is an appropriate measure of the level of sharing
- c) whether the proposed method for calculating load factor is an appropriate measure of forward looking charges (subject to item b)
- d) whether to use maximum line flow when attributing circuit MWkm to the Peak and Year Round elements or an alternative approach
- e) whether shortening circuit MWkm may be an alternative to the use of load factor in reflecting sharing
- f) compare modelled charging outputs to real network investment costs

HVDC

- g) how often the parameters associated with the proposed approach should be updated (e.g. annually, every 4 years, every 8 years)

Island Links

- h) ensure that the charging solution is commensurate with access rights
- i) consider appropriate approach for islands that form part of integrated offshore networks
- j) review the application of the expansion factor in the tariff calculation

General

- k) consider and undertake appropriate economic analysis including the impact on current and future consumers on a national and regional basis
- l) consider and undertake appropriate environmental analysis and review illustrative legal text including an assessment of likely impact on electricity generation carbon intensity

6. The Workgroup is responsible for the formulation and evaluation of any Workgroup Alternative CUSC Modifications (WACMs) arising from Group discussions which would, as compared with the Modification Proposal or the current version of the CUSC, better facilitate achieving the Applicable CUSC Objectives in relation to the issue or defect identified.
7. The Workgroup should become conversant with the definition of Workgroup Alternative CUSC Modification which appears in Section 11 (Interpretation and Definitions) of the CUSC. The definition entitles the Group and/or an individual member of the Workgroup to put forward a WACM if the member(s) genuinely believes the WACM would better facilitate the achievement of the Applicable CUSC Objectives, as compared with the Modification Proposal or the current version of the CUSC. The extent of the support for the Modification Proposal or any WACM arising from the Workgroup's discussions should be clearly described in the final Workgroup Report to the CUSC Modifications Panel.
8. Workgroup members should be mindful of efficiency and propose the fewest number of WACMs possible.
9. All proposed WACMs should include the Proposer(s)'s details within the final Workgroup report, for the avoidance of doubt this includes WACMs which are proposed by the entire Workgroup or subset of members.

10. There is an obligation on the Workgroup to undertake a period of Consultation in accordance with CUSC 8.20. The Workgroup Consultation period shall be for a period of 4 weeks as determined by the Modifications Panel.
11. Following the Consultation period the Workgroup is required to consider all responses including any WG Consultation Alternative Requests. In undertaking an assessment of any WG Consultation Alternative Request, the Workgroup should consider whether it better facilitates the Applicable CUSC Objectives than the current version of the CUSC.

As appropriate, the Workgroup will be required to undertake any further analysis and update the original Modification Proposal and/or WACMs. All responses including any WG Consultation Alternative Requests shall be included within the final report including a summary of the Workgroup's deliberations and conclusions. The report should make it clear where and why the Workgroup chairman has exercised his right under the CUSC to progress a WG Consultation Alternative Request or a WACM against the majority views of Workgroup members. It should also be explicitly stated where, under these circumstances, the Workgroup chairman is employed by the same organisation who submitted the WG Consultation Alternative Request.

12. The Workgroup is to submit its final report to the Modifications Panel Secretary on 6 December 2012 for circulation to Panel Members. The final report conclusions will be presented to the CUSC Modifications Panel meeting on 14 December 2012.

Membership

13. The Workgroup has the following members:

Role	Name	Representing
Chairman	Patrick Hynes	Code Administrator
National Grid Representative*	Ivo Spreeuwenberg	National Grid
Industry Representatives*	James Anderson	ScottishPower
	Garth Graham	SSE
	Simon Lord	First Hydro
	Stuart Cotten	Drax Power
	Paul Jones	E.ON UK
	Frank Prashad	RWE
	Michael Dodd	ESBI
	Stefan Leedham	EDF
	Dennis Gowland	Fairwind Orkney Ltd
	Ricky Hill	Centrica
	Helen Snodin	Xero Energy
	Maf Smith	RenewableUK
	Patrick Smart	RES
	Nick Fedorkiw	Mainstream Renewable Power
	Peter Waghorn	Phillips 66 / Immingham CHP LLP

Role	Name	Representing
Authority Representatives	Anthony Mungall	Ofgem
Technical secretary	Jackeline Crespo-Sandoval	Code Administrator
Observers		

NB: A Workgroup must comprise at least 5 members (who may be Panel Members). The roles identified with an asterisk in the table above contribute toward the required quorum, determined in accordance with paragraph 14 below.

14. The chairman of the Workgroup and the Modifications Panel Chairman must agree a number that will be quorum for each Workgroup meeting. The agreed figure for CMP213 is that at least 5 Workgroup members must participate in a meeting for quorum to be met.
15. A vote is to take place by all eligible Workgroup members on the Modification Proposal and each WACM. The vote shall be decided by simple majority of those present at the meeting at which the vote takes place (whether in person or by teleconference). The Workgroup chairman shall not have a vote, casting or otherwise. There may be up to three rounds of voting, as follows:
 - Vote 1: whether each proposal better facilitates the Applicable CUSC Objectives;
 - Vote 2: where one or more WACMs exist, whether each WACM better facilitates the Applicable CUSC Objectives than the original Modification Proposal;
 - Vote 3: which option is considered to BEST facilitate achievement of the Applicable CUSC Objectives. For the avoidance of doubt, this vote should include the existing CUSC baseline as an option.

The results from the vote and the reasons for such voting shall be recorded in the Workgroup report in as much detail as practicable.
16. It is expected that Workgroup members would only abstain from voting under limited circumstances, for example where a member feels that a proposal has been insufficiently developed. Where a member has such concerns, they should raise these with the Workgroup chairman at the earliest possible opportunity and certainly before the Workgroup vote takes place. Where abstention occurs, the reason should be recorded in the Workgroup report.
17. Workgroup members or their appointed alternate are required to attend a minimum of 50% of the Workgroup meetings to be eligible to participate in the Workgroup vote.
18. The Technical Secretary shall keep an Attendance Record for the Workgroup meetings and circulate the Attendance Record with the Action Notes after each meeting. This will be attached to the final Workgroup report.
19. The Workgroup membership can be amended from time to time by the CUSC Modifications Panel.

Appendix: Indicative Workgroup Timetable

The following timetable is indicative for the CMP213 Workgroup.

w/c 2 July	Send out request for WG nominations
10 July	First Workgroup meeting
July – September	Fortnightly Workgroup meetings
8 October	Issue draft Workgroup Consultation for Workgroup comment (5 working days)
15 October	Deadline for comments on draft Workgroup Consultation
17 October	Publish Workgroup consultation (for 4 weeks)
14 November	Deadline for responses to Workgroup consultation
w/c 19 November	Post-consultation Workgroup meeting
27 November	Circulate draft Workgroup Report
4 December	Deadline for comment on Workgroup report
6 December	Submit final Workgroup report to Panel Secretary
14 December	Present Workgroup report to CUSC Modifications Panel