

WORKING GROUP REPORT

CUSC Amendment Proposal CAP005

Panel's Role and Report Process

**Prepared by the Governance Amendments Working Group
for submission to the Amendments Panel**

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1.0 SUMMARY AND RECOMMENDATIONS

The Working Group has evaluated the Amendment Proposal against the applicable CUSC objectives but was unable to reach a unanimous recommendation on CAP005 – Panel’s Role and Report Process as presented.

The Working Group considered each section of draft legal text provided in turn, and thereby developed a ‘highest common factor’ Alternative Amendment proposal that the group supported unanimously against the applicable CUSC objectives.

This exercise also highlighted other areas of Section 8 that needed reviewing and National Grid agreed to take away these issues with the intent to develop proposals for their improvement. In particular the existing definition of Alternative Amendment and the Urgent Amendment process.

The CUSC Amendments Panel is invited to note:

- The diverse views within the Governance Amendments Working Group concerning the original proposal, but that the Working Group did unanimously support an Alternative Amendment on the grounds of better facilitating the applicable CUSC objectives.

And Endorse:

- That the Amendment Proposal and Alternative Amendment be consulted on by National Grid in the wider Industry forum.

2.0 INTRODUCTION

At the 9th November 2001 CUSC Panel meeting British Energy proposed a change to section 8 of the CUSC to strengthen the role of the CUSC Amendments Panel to make it more consistent with the BSC Panel. This change would also ensure that the CUSC Panel had appropriate constitutional powers to provide the necessary checks and balances in relation to the actions of both National Grid and the Authority within the Amendment Process.

This Amendment Proposal was supported by other parties, who are acknowledged by British Energy in the CUSC Amendment Proposal form.

The CUSC Panel determined that the proposal should be considered and evaluated further by a Working Group and the Governance Amendments Working Group (GAWG) was established on the 9th November 2001. For information, at the same time it was also actioned to consider other amendment proposals namely CAP004 – ‘Cost Benefit Analysis, CAP006 – ‘Non Discrimination’, CAP007 – ‘Role of Standing Groups’, and CAP008 – ‘Codification Errors’ each under separate terms of reference and these are considered in other Working Group reports.

This report considers CAP005 – CUSC Panel’s Role and Report Process (Annex 1 – Amendment Proposal form) only and summarises the views and issues raised during the course of the Working Group discussions. The Report has been prepared in accordance with the terms of the CUSC. An electronic copy of this document can be found on the National Grid website, at www.nationalgrid.com/uk/indinfo/cusc.

3.0 PURPOSE AND SCOPE OF WORKING GROUP

In accordance with the Terms of Reference for the Working Group (Annex 2), the Working Group considered the British Energy Amendment Proposal CAP005. The Working Group has developed an Alternative Amendment which is based on a subset of the many changes considered in the Amendment Proposal CAP005.

4.0 ASSESSMENT AGAINST APPLICABLE CUSC OBJECTIVES

The Applicable CUSC Objectives are defined within Condition C7F of the Transmission Licence as:

- (a) in relation to a proposed modification of the modification procedures, the requirements of paragraph 6 (to the extent that they do not conflict with the objectives set out in paragraph 1); and
- (b) in relation to any other proposed modification, the objectives set out in paragraph 1.

The objectives detailed in paragraph 1 are the efficient discharge by the licensee of the obligations under the Act and licence and to facilitate competition in the generation and supply of electricity and where consistent facilitating competition in the sale, distribution and purchase of electricity.

In relation to this amendment proposal, which details changes to Section 8 of the CUSC, the Working Group agreed that the objectives of (a) above (i.e. Paragraph 6 of the Transmission Licence), is the relevant objective against which this Amendment Proposal should be judged when deciding whether they are better facilitated. In summary paragraph 6 requires the licensee to establish and operate procedures to modify the CUSC itself in order to better facilitate the applicable CUSC objectives and therefore the Amendment Proposal must better facilitate this process so that the broader objectives of facilitating competition can be achieved.

There were diverse views represented within the group as to whether the proposal as presented did better facilitate the applicable CUSC objectives. These views are represented in the following paragraphs. On the basis that the proposal was presented as a series of 19 groups of changes to Section 8, with some more contentious than others and that there was not one clear principle under consideration, this report presents the views regarding each of the proposed text changes for the simplicity of the reader.

In detail the Amendment Proposal considers several different issues through Section 8 and the Working Group attempted to consider, where possible, groups of changes.

Groups: 1, 2, 17.

Several changes encompassed the role of National Grid as the body responsible for administering the process. The proposal changed National Grid to the Panel Secretary in order for the process to appear more independent. The Working Group felt that this did not better facilitate the applicable CUSC objectives and also may be viewed as counter to the requirements for National Grid to administer the Amendment Process contained within the Transmission Licence.

Groups: 7, 8, 12, 15.

Other changes proposed that National Grid should be changed to the Amendments Panel which has the effect of changing the emphasis enabling the Amendments Panel to have a greater role in the Amendment Process overall. Again the group did not support such a change on the grounds that it was not clear how this change would better facilitate the objectives but also may be viewed as being in conflict with the obligations on National Grid contained within the Transmission Licence.

Groups: 3, 7.

Two of the changes put an obligation on the Authority to provide reasons behind decisions made in the Amendment Process and the group noted that they fully supported this and would expect such explanations to be made by the Authority to ensure that they followed due process. However, in terms of a CUSC amendment it was not possible or appropriate to put an obligation on the Authority within CUSC and therefore the Working Group did not support these changes.

Groups: 4, 5.

Other changes encompassed the role and relationship of the Panel Secretary with the Amendments Panel. Generally these included provision for the Panel Secretary to consult with the Panel prior to undertaking any action. The group noted though that the role given to the Panel Secretary was purely a mechanistic administrative role and therefore these changes were unnecessary. The Working Group also noted there were already checks and balances within Section 8 to ensure that the role was carried out correctly. These changes therefore were unnecessary and were not supported by the group as better facilitating the applicable CUSC objectives.

Groups: 11, 14b

Further changes were proposed to allow a Group (Working or Standing) to nominate a representative to deliver the report to the Amendments Panel. This current obligation falls to the Chairman of the Standing / Working Group. The Governance Working Group felt that as the Chair was independent and the remainder of the Working/Standing Group were representative it was inappropriate to make the proposed changes and did not support this as better facilitating the applicable CUSC objectives.

Groups: 16, 18 & 19

Two other issues were highlighted during the course of reviewing the Amendment Proposal. The group recognised that the existing definition for Alternative Amendment was inadequate within the CUSC and the process for Urgent Amendments was also unclear and ambiguous and required clarification. The group noted that National Grid is currently reviewing both these issues and exhorted them to bring forward amendments to cover these issues as soon as possible.

In view of the above comments the group then considered developing an Alternative Amendment based on a 'highest common factor' subset of the Amendment Proposal.

5.0 ALTERNATIVE AMENDMENT

5.1 Description of Alternative Amendment

The group agreed that for the purposes of transparency any changes to the proposed draft text should be presented in the Working Group report as an Alternative Amendment.

In considering the Amendment Proposal the Working Group felt that there was more than one principle involved and therefore it was not possible to agree if the Amendment Proposal better facilitated the applicable CUSC objectives or identify the differing Working Group views as a whole. The majority of the Working Group could not support the Amendment Proposal and therefore it was agreed that the best way forward was to review the individual sections of draft legal text provided by the Proposer and determine if each change achieved the requirements. On this basis a 'highest common factor' Alternative Amendment would be developed.

The draft legal text for the Alternative Amendment is detailed in Annex 4.

5.2 Assessment Against Applicable CUSC Objectives

The Alternative Amendment as drafted by the Working Group provides for no change to the CUSC for those groups of change proposals that did not gain unanimous support from within the Working Group, and alternative textual changes for those groups of change proposals that did gain unanimous support from within the Working Group. The items that the Working Group supported included the Amendment Proposal changes: 1 part b, 2 part b, 6, 7, 9,10, 13, 14 part a, and 16 part c and these are reviewed in turn.

Group: 1b

The Working Group felt that the change to remove the three-month restriction on retaining information on the Amendment Register was unhelpful to Parties. The group felt that retaining this information for Parties to view on an indefinite basis would improve clarity and efficiency of the Amendment Process. It was therefore proposed to remove the three-month limit so that the Amendment Register contained all historic information.

Group: 2

In a similar way the group proposed an Alternative Amendment to 8.13.1 which currently provides an ability for National Grid to submit the Progress Report at a less often period (than monthly) if there is nothing to report. The Working Group noted that it would improve clarity to produce the report monthly even if there was nothing to report and just note that there was no activity if this was appropriate.

Group: 6

The Working Group agreed that the process for withdrawing an Amendment Proposal needed clarification and that the amendment to 8.15.8(c) was of benefit but should probably go further and the whole paragraph is proposed to be deleted in the Alternative Amendment.

Group: 7

National Grid also agreed that the determination of the period for National Grid consultation would normally be in consultation with the Amendments Panel and therefore deletion of 8.16.4(b) and (c) was acceptable with consequential changes to 8.16.4(e).

Group: 9 & 13

The group noted that currently there was no provision for the Chairman of a Working or Standing Group to be removed once appointed. There is provision for Working or Standing Group members to be removed once appointed if they were ineffective or are unable to carry on and therefore it made sense to have this provision for the Chairman. It was therefore agreed that this would better facilitate objectives by providing for a more efficient process but that the right to remove must lie with the body who appoints – namely National Grid. The Group supported this change.

Group: 10

The group supported the objective of ensuring that all views, however diverse, were represented in the report of the working group and agreed alternative text that better achieved this.

Group: 16, 18, 19

The other issues to be taken away from this review, as described above, are defining Alternative Amendment and also reviewing the Urgent Amendment process.

6.0 PROPOSED IMPLEMENTATION AND TIMESCALES

The Group considered the implementation and timescale issues. The Amendment Proposal and Alternative Amendment deal with the role of the Panel and the reporting process and therefore such a change if implemented should not be retrospective. However, the implementation timetable of the proposal or alternative was at the direction of the Authority but was expected to be as soon as practicable after their decision.

7.0 IMPACT ON CUSC

The proposed change will not have an impact on other parts of the CUSC. The changes required to implement the proposal are detailed in Annex 4 both as detailed in the original proposal and also as developed by the Working Group as an Alternative Amendment.

It was though noted that currently there are other CUSC Amendment Proposals that are under consideration which could also make changes to some of the same sections of the CUSC. This will therefore need to be managed by National Grid in an appropriate manner, subject to their approval. In essence though these will only be format issues, such as numbering, rather than substantive conflict to the intent of paragraphs.

8.0 IMPACT ON INDUSTRY DOCUMENTS

8.1 Impact on Core Industry Documents

This amendment proposal will have no impact on other core industry documents.

8.2 Impact on other Industry Documents

This amendment proposal will have no impact on other industry documents.

Annex 1: CUSC Amendment Proposal CAP005

Amendment Proposal

Those wishing to propose an Amendment to the CUSC should do so by filling in this "Amendment Proposal Form" that is based on the provisions contained in Section 8.15 of the CUSC. The form seeks to ascertain details about the Amendment Proposal so that the CUSC Panel can determine more clearly whether the proposal should be considered by a Working Group or go straight to wider National Grid Consultation.

The Panel Secretary will check that the form has been completed, in accordance with the requirements of the CUSC, prior to submitting it to the Panel. If the Panel Secretary accepts the Amendment Proposal form as complete, then he will write back to the Proposer informing him of the reference number for the Amendment Proposal and the date on which the Proposal will be considered by the Panel. If, in the opinion of the Panel Secretary, the form fails to provide the information required in the CUSC, then he may reject the Proposal. The Panel Secretary will inform the Proposer of the rejection and report the matter to the Panel at their next meeting. The Panel can reverse the Panel Secretary's decision and if this happens the Proposer will be informed by the Panel Secretary.

The completed form should be returned to:

Mark Cox
Panel Secretary
Commercial Development
National Grid Company plc
National Grid House
Kirby Corner Road
Coventry, CV4 8JY

Or via e-mail to:

CUSC.Team@uk.ngrid.com

(Participants submitting this form by email will need to send a statement to the effect that the proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel, a proposer which is not a CUSC Party shall grant a licence in accordance with Paragraph 8.15.7 of the CUSC. A Proposer which is a CUSC Party shall be deemed to have granted this Licence.)

Proposers Name:

(Name of party making the proposal. An Amendment Proposal may be made by a CUSC Party, a BSC Party or by "energywatch")

British Energy Generation Ltd

Proposers Representative:

(The name of the person representing the Proposer (and his alternate) for the purposes of the Amendment Process)

Steve Phillips (alternate John Capener)

Organisations Name and Address:

(Organisation on whose behalf the Amendment is proposed)

*British Energy Generation Limited, Barnett Way, Barnwood,
Gloucester, GL4 3RS*

In addition to BEGL, the following CUSC Parties listed alphabetically below are joint sponsors for this Amendment Proposal:

1. AES Drax Power Limited Selby, North Yorkshire, YO8 8PQ
2. Barking Power Ltd Barking Power Station, Chequers Lane, Dagenham, RM6 6PF
3. Deeside Power Development Company Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4DP
4. Enron Direct Limited Enron House, 40 Grosvenor Place, London SW1X 7EN
5. First Hydro Company Bala House, Lakeside Business Village, St. David's Park, Deeside, Flintshire, CH5 3XJ
6. Humber Power Limited South Humber Bank Power Station, South Marsh Road, Stallingborough, North East Lincolnshire, DN41 8BZ
7. Teesside Power Limited Dunedin House, Columbia Drive, Thornaby, Stockton On Tees, Cleveland, TS17 6 BJ

Capacity in which the Organisation Proposes to make an Amendment:

(i.e. CUSC Party, BSC Party or "energywatch")

CUSC Party

Description of the issue or defect which the proposed Amendment seeks to address:

(This should be in reasonable, but not excessive detail)

The role of the Panel in the CUSC Amendment process is neither strong enough nor consistent with the BSC. The Panel should have appropriate constitutional powers to enable it to provide appropriate checks and balances in relation to the actions of NGC and the Authority within the Amendments process.

Description of the proposed Amendment and of its nature and purpose:

(This should be in reasonable but not excessive detail)

To enhance the role and effectiveness of the Panel as a key governance feature of the new code.

An indication of those parts of the CUSC which would require amendment in order to give effect to (or would otherwise be affected by) the proposed amendment and an indication of the nature of those amendments or effects.

(This should be given where possible)

Please refer to the attachment for suggested, indicative changes/additions to be incorporated to appropriate clauses of section 8 of the CUSC to give effect to the proposed amendment.

Please note that it is the principle of the Amendment Proposal that is to be reviewed and approved by an appropriate review/consultation process to be decided by the CUSC Amendment Panel.

This indicative text is a suggested solution which may or may not be considered exhaustive in its detail and scope.

Reasons why the Proposer believes that the proposed Amendment would better facilitate achievement of the Applicable CUSC Objectives as compared with the current version of the CUSC with background information in support thereof.

The Proposer considers that the proposed amendments would better facilitate the achievement of the Applicable CUSC Objectives since these would promote a better evaluation of Amendment Proposals by the Panel as a neutral body in the decision-making process.

In addition this proposal identifies a number of the proposed text changes to further improve the transparency of the reporting process to industry and other stakeholders. Implementing, maintaining and improving procedures to incorporate best industry practice should form an essential part of NGC's responsibility to achieve the efficient discharge of its licence obligations.

The amendment will increase confidence in the CUSC by all Parties. Confidence in the CUSC is a central part of the framework for the operation of the market and the development of competition.

An indication of the impact of the proposed Amendment on Core Industry Documents.

(This should be given where possible)

None

An indication of the impact of the proposed Amendment on relevant computer systems and processes used by CUSC Parties.

(This should be given where possible)

None

A statement to the effect that the Proposer acknowledges that on acceptance of the proposal for consideration by the Amendments Panel a Proposer shall grant a Licence in accordance with Clause 8.15.7 of the CUSC.

(A signature to this effect must be given by a Proposer, which is not a CUSC Party)

Proposer is a CUSC Party

Attachment to Amendment Proposal

See Annex 4

Annex 2: Working Group Terms of Reference and Membership

CAP005: CUSC Panels Role Governance Working Group - Terms of Reference Paper

Introduction

1. The current CUSC Amendment Process places certain obligations on the Amendments Panel, National Grid, the Panel Secretary etc during the development of any Amendment Proposal. CUSC Amendment Proposal CAP005 seeks to change the responsibility for some of these obligations together with changing some of the current reporting processes by amending certain Clauses in Section 8 of the CUSC (CAP005 refers). At the 9th November 2001 Amendments Panel meeting, the Amendments Panel determined that a Working Group (the Governance Working Group) should be established to consider Amendment Proposal CAP005. At the Panel Meeting, the Governance Working Group was also actioned to consider Amendment Proposals CAP004, CAP006, CAP007 and CAP008.
2. This paper outlines the process and terms of reference that the Governance Working Group should work to with respect to Amendment Proposal CAP005.

Proposed Membership of the Governance Working Group

3. At the 9th November 2001 Amendments Panel meeting, the Amendments Panel agreed the following membership for the Governance Working Group:

Chair: Nigel Cornwall (Cornwall Consulting)

Other Members: Dick Cecil (London Electricity)
Jane Butterfield (PowerGen)
Malcolm Taylor (AEP)
Mike Metcalfe (National Grid)
Steve Phillips (British Energy)
Richard Ford (St. Clements)
Simon Goldring (British Gas Trading)

Process

4. The Governance Working Group has been established and actioned to consider, inter alia, revisions to the Panels' role and the reporting processes contained in Section 8 of the CUSC. CUSC Amendment Proposal CAP005 refers.
5. Condition C7F (Paragraph 6) of National Grid's Transmission Licence requires the licensee to establish and operate procedures for the modification of the CUSC (including procedures for modification of the modification procedures themselves), so as to better facilitate achievement of the applicable CUSC objectives. In view of this, the Governance Working Group should consider how the proposed Amendment better accomplishes this requirement when compared to the current procedures.
6. The findings of the Working Group should be published on the CUSC Website.

Scope of Work

7. The Governance Working Group should consider the Amendment Proposal tabled by British Energy and consider any Alternative Amendment Proposals raised by the Governance Working Group or any other interested parties.
8. The Governance Working Group should consider, inter alia, how the Proposed Amendment would impact on:
 - (a) the CUSC itself (BE have provided some accompanying, indicative, draft legal text in CAP005); and
 - (b) on other codes/core industry documentation.

Relationship with Amendments Panel

9. The Working Group shall seek the views of the Amendments Panel before taking on any significant amount of work. The Working Group Chairman should contact the CUSC Panel Secretary.
10. Where the Working Group requires instruction, clarification or guidance from the Amendments Panel, particularly in relation to their Scope of Work, the Working Group Chairman should contact the CUSC Panel Secretary.

Meetings

11. The Working group shall develop and adopt its own internal working procedures and provide a copy to the Panel Secretary for each of its Amendment Proposals.

Reporting

12. The Governance Working Group Chairman should, in line with the CUSC, be responsible for producing a Working Group Report with recommendations. The report should be submitted to the Panel Secretary by 9th February 2002 for circulation to Panel Members and the Conclusions of such report should be presented to the Amendments Panel meeting scheduled for 22nd February 2002. The report should be written with reference to Section 8.17 of The CUSC.

Annex 3: Internal Working Group Procedures

Governance Amendment Working Group (CAP004-008)

Internal Working Procedures (for each CUSC Amendment Proposal)

1. Notes of each meeting will be produced by the Technical Secretary (provided by National Grid) and circulated to the Chairman and Working Group members for review.
 - (a) Meeting notes will be published on the National Grid CUSC Website following the review by Working Group members.
2. The Chairman of the Working Group will provide an update of progress and issues to the Amendments Panel each month as appropriate.
3. Working Group meetings will be arranged for a date acceptable to members of the group and will be held as often as required as agreed by the Working Group, in order to respond to the requirements of the Terms of Reference set by the Amendments Panel.
4. If within half an hour after the time for which the Working Group meeting has been convened the Chairman of the group is not in attendance, the meeting will take place with those present. A Chairman shall be appointed from those members of the Working Group present.
5. A meeting of the Working Group shall not be invalidated by any member(s) of the group not being present at the meeting.

Annex 4: Proposed Text to Modify the CUSC

Amendment Proposal:

PANEL'S ROLE And Report Process

1. Amendment Register

8.12.1 ~~NGC~~The **Panel Secretary** shall establish and maintain a register ("**Amendment Register**") which shall record the matters set out in Paragraph 8.12.3.

8.12.5 The **Amendment Register** shall include details of:

- (a) each **Amendment Proposal** which has been withdrawn pursuant to Paragraph 8.15.8 or rejected by the **Amendment Panel**; and
- (b) each **Approved Amendment** which has been implemented.

2. Progress Report

8.13.1 ~~NGC~~The **Panel Secretary** shall prepare and submit to the **Authority** each month (or such less often period if there is no material matter arising to report) a progress report ("**Progress Report**") setting out the matters referred to in Paragraph 8.13.2 in respect of the preceding month and send a copy of the **Progress Report** to each **Panel Member**.

3. Progress Report

8.13.3 If, following discussion with the **Amendments Panel**, the **Authority** issues a notice to the **Panel Secretary** requesting **NGC** and the **Amendments Panel** (in relation to developments and changes highlighted in the monthly **Progress Report**) and giving reasons for that request: ...

4. Amendments Proposals

8.15.3 if a proposal (other than a proposal by the **Amendments Panel** under Paragraphs 8.21.8 or 8.23.5) fails in any material respect to provide the information in Paragraph 8.15.2 (excluding Paragraphs (e), (g) and (h) thereof), the **Panel Secretary** may, in consultation with the **Amendments Panel** subject to Paragraph 8.13.3(a), reject such proposal provided that:

- (d) nothing in this Section 8 shall prevent a **Proposer** from submitting a revised proposal in compliance with the requirements of Paragraph 8.15.2 in respect of the same subject-matter.

5. Amendment Proposal

8.15.4 Without prejudice to the development of an **Alternative Amendment** pursuant to Paragraph 8.20.2, a proposal shall be rejected by the **Panel Secretary** in consultation with the **Amendments Panel** pursuant to Paragraph 8.15 if and to the extent that such proposal has, in the opinion of the **Amendments Panel**, substantially the same effect as: (...)

6. Amendments Proposals

8.15.8 A **Proposer** may withdraw his **Amendment Proposal** on notice to the **Panel Secretary** at any time, in which case the **Panel Secretary** shall forthwith:

(c) if no notice is received under (a) or (b), ~~or the **Amendments Panel** decides not to notify **CUSC Parties** under (b)~~, delete the **Amendment Proposal** from the **Amendment Register** and mark it as withdrawn; and

7. Panel Proceedings

8.16.4 (c) **NGC** shall ~~in consultation with the **Amendments Panel**~~ establish the part of the timetable for the consultation to be undertaken by **NGC** under this Section 8 and separately the preparation of an **Amendment Report** to the **Authority**;

(...)

(e) Without prejudice to Paragraph (d) above, the timetable under (b) above shall be set such that it is no longer than three months, that under (c) above such that it is no longer than two months for the consultation and another 14 days for the preparation of the **Amendment Report**, unless in any case the particular circumstances of the **Amendment Proposal** (taking due account of its complexity, importance and urgency) justify an extension of such timetable, ~~and provided subject to any objection from the **Authority** does not object giving reasons~~ taking into account all those issues.

8. Working Groups

8.17.4 ~~The **Amendments Panel**~~ **NGC** shall in consultation with **NGC** ~~the **Amendments Panel**~~ appoint the chairman of the **Working Group** who shall act impartially and as an independent chairman.

9. Working Groups

8.17.6 The **Amendments Panel** may (but shall not be obliged to) replace any member of a **Working Group** appointed pursuant to Paragraph 8.17.3 ~~or 8.17.4~~ at any time if such member is unwilling or unable for whatever reason to fulfill that function and/or is deliberately and persistently disrupting or frustrating the work of the **Working Group**

10. Working Groups

8.17.10 (b) If a **Working Group** is unable to reach agreement on any such matter, the report must reflect ~~all of the diverse~~ the views of the members of the **Working Group**.

11. Working Groups

8.17.11 The chairman or another member (nominated by the ~~chairman~~ **Working Group**) of the **Working Group** shall attend the next **Amendments Panel** meeting following delivery of the report and may be invited to present the findings and/or answer the questions of **Panel Members** in respect thereof. Other members of the **Working Group** may also attend such **Amendments Panel** meeting.

12. Standing Groups

8.18.3 ~~NGC~~ **The Amendments Panel** shall in consultation with ~~the Amendments Panel~~ **NGC** appoint the chairman of each **Standing Group** who shall act impartially and as an independent chairman.

13. Standing Groups

8.18.5 The **Amendments Panel** may (but shall not be obliged to) replace any member of a **Standing Group** appointed pursuant to Paragraph 8.18.2 or 8.18.3 at any time if such member is unwilling or unable for whatever reason to fulfill that function and/or is deliberately and persistently disrupting or frustrating the work of the **Standing Group**.

14. Standing Groups

8.18.6

- (b) If a **Standing Group** is unable to reach agreement on any such matter, the report must reflect **all of the diverse** views of the members of the **Standing Group**.
- (d) The chairman or another member (nominated by the **Standing Group chairman**) of the **Standing Group** shall attend the next **Amendments Panel** meeting following delivery of the report and may be invited to present the findings and/or answer the questions of **Panel Members** in respect thereof. Other members of the **Standing Group** may also attend such **Amendments Panel** meeting.

15. Amendment Report

8.20.1 Subject to **NGC's** consultation having been completed, ~~NGC~~ **the Amendments Panel** shall **in conjunction with NGC and taking due account of responses received** prepare and submit to the **Authority** a report (the "**Amendment Report**") in accordance with this Paragraph 8.20 for each **Amendments Proposal** which is not withdrawn.

16. Amendment Report

8.20.2 The matters to be included in an **Amendment Report** shall be the following (in respect of the **Amendment Proposal**):

- (a) the **Proposed Amendment**;
- (b) **separately and with equal emphasis**, the recommendation of **each of NGC and the Amendments Panel** as to whether or not the **Proposed Amendment** (or any **Alternative Amendment** as provided below) should be made;
- (e) a full description and analysis of any alternative proposed amendment developed **by any Working Group or otherwise proposed** during the consultation ("**Alternative Amendment**") which, as compared with the **Proposed Amendment**, may better facilitate achievement of the **Applicable CUSC Objective(s)** and the views and rationale in respect thereof;

- (h) to the extent such information is available ~~to NGC~~, an assessment of the impact of the **Proposed Amendment** and any **Alternative Amendment** on **CUSC Parties** in general (or classes of **CUSC Parties** in general), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs ~~to such CUSC Parties~~ associated with implementing the changes to the **CUSC** and to **Core Industry Documents** ~~together with a summary of representations in relation to such matters~~;

17. Amendment Report

- 8.20.3 A draft of the **Amendment Report** will be circulated by ~~the NGC~~ **Panel Secretary** to **CUSC Parties** and **Panel Members** (and its provision in electronic form on the **NGC Website** and in electronic mails to **CUSC Parties** and **Panel Members**, who must supply relevant details, shall meet this requirement) and a period of no less than five (5) **Business Days** given for comments to be made thereon. Any unresolved comments made shall be reflected in the final **Amendment Report**.

18. Urgent Amendment Proposals

8.21.2 The matters referred to in Paragraph 8.21.1 are:

- (a) whether such proposal ~~is so urgent that it cannot wait for the full Amendment Procedures to be completed and so~~ should be treated as an **Urgent Amendment Proposal** in accordance with this Paragraph 8.21 and (b) if so, the procedure and timetable to be followed in respect of such **Urgent Amendment Proposal**.

19. Urgent Amendment Proposals

8.21.3 If:

- (a) the **Amendments Panel** agrees that such proposal ~~is so urgent that it cannot wait for the full Amendment Procedures to be completed and so~~ should be treated as an **Urgent Amendment Proposal**; or
- (...)
- (c) where the **Panel Chairman** or the **Panel Secretary** was unable to contact any other **Panel Member**, the **Panel Chairman** considers that such proposal ~~is so urgent that it cannot wait for the full Amendment Procedures to be completed and so~~ should be treated as an **Urgent Amendment Proposal**, the **Panel Chairman** or, in his absence, the **Panel Secretary** shall forthwith consult the **Authority** as to whether such **Amendment Proposal** is an **Urgent Amendment Proposal** and, if so, as to the procedure and timetable which should apply in respect thereof.

Alternative Amendment:

1. Amendment Register

8.12.1 *{Leave as existing CUSC text.}*

8.12.3

(c) The current status and progress of each **Amendment Proposal**, if appropriate the anticipated date for reporting to the **Authority** in respect thereof, and whether it has been withdrawn, rejected or implemented. ~~For a period of three (3) months after such withdrawal, rejection or implementation or such longer period as the Authority may determine;~~

2. Progress Report

8.13.1 **NGC** shall prepare and submit to the **Authority** each month ~~(or such less period if there is no material matter arising to report)~~ a progress report ("Progress Report") setting out the matters referred to in Paragraph 8.13.2 in respect of the preceding month and send a copy of the **Progress Report** to each **Panel Member**.

3. Progress Report

8.13.3 *{Leave as existing CUSC text.}*

4. Amendments Proposals

8.15.3 *{Leave as existing CUSC text.}*

5. Amendment Proposal

8.15.4 *{Leave as existing CUSC text.}*

6. Amendments Proposals

8.15.8 A **Proposer** may withdraw his **Amendment Proposal** on notice to the **Panel Secretary** at any time, in which case the **Panel Secretary** shall forthwith:

~~(c) — if no notice is received under (a) or (b), or the **Amendments Panel** decides not to notify **CUSC Parties** under (b), delete the **Amendment Proposal** from the **Amendment Register** and mark it as withdrawn; and~~

~~(d)(c) remove the~~

7. Panel Proceedings

8.16.4

(a) **NGC** and the **Amendments Panel** shall together establish a timetable to apply for the **Amendment Process**.

~~(b) — The **Amendments Panel** shall establish the part of the timetable for the consideration by the **Amendments Panel** and by a **Working Group** (if any).~~

- ~~(c) NGC shall establish the part of the timetable for the consultation to be undertaken by NGC under this Section 8 and separately the preparation of an Amendment Report to the Authority.~~
- (d) *{renumber sub-paragraph}* In setting such a timetable, the **Amendments Panel** and **NGC** shall exercise their respective discretions such that, in respect of each **Amendment Proposal**, an **Amendment Report** may be submitted to the **Authority** as soon after the **Amendment Proposal** is made as is consistent with the proper evaluation of such **Amendment Proposal**, taking due account of its complexity, importance and urgency.
- (e) *{renumber sub-paragraph}* Without prejudice to Paragraph (b) above, the timetable for consideration by the **Amendment Panel** and by a **Working Group** (if any) ~~under (b) above~~ shall be set such that it is no longer than three months, ~~and that the timetable for consultation to be undertaken by NGC under this section 8 under (e) above shall be set~~ such that it is no longer than two months ~~for the consultation~~ and another 14 days for the preparation of the **Amendment Report**, unless in any case the particular circumstances of the **Amendment Proposal** (taking due account of its complexity, importance and urgency) justify an extension of such timetable, and provided the **Authority** does not object, taking into account all those issues.

8. Working Groups

8.17.4 *{Leave as existing CUSC text.}*

9. Working Groups

8.17.6 **NGC** shall in consultation with the **Amendments Panel** replace the Chairman of the **Working Group** appointed pursuant to Paragraph 8.17.4 at any time if the Chairman is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the **Working Group**.

~~8.17.6~~ 8.17.7 The **Amendments Panel**....

{Renumbering for rest of section, etc}

10. Working Groups

8.17.10 (b) If a **Working Group** is unable to reach agreement on any such matter, the report must reflect **all** the views of the members of the **Working Group**.

11. Working Groups

8.17.11 *{Leave as existing CUSC text.}*

12. Standing Groups

8.18.3 *{Leave as existing CUSC text.}*

13. Standing Groups

8.18.5 **NGC** shall in consultation with the **Amendments Panel** replace the Chairman of the **Standing Group** appointed pursuant to Paragraph 8.18.3 at any time if the Chairman is unwilling or unable for whatever reason to fulfil that function and/or is deliberately and persistently disrupting or frustrating the work of the **Standing Group**.

~~8.18.5~~ 8.18.6 The **Amendments Panel**....

{Renumbering for rest of section, etc}

14. Standing Groups

8.18.6

(b) If a **Standing Group** is unable to reach agreement on any such matter, the report must reflect **all** the views of the members of the **Standing Group**.

(d) *{Leave as existing CUSC text.}*

15. Amendment Report

8.20.1 *{Leave as existing CUSC text.}*

16. Amendment Report

8.20.2 The matters to be included in an **Amendment Report** shall be the following (in respect of the **Amendment Proposal**):

(a) the **Proposed Amendment**;

(b) *{Leave as existing CUSC text.}*

(e) *{Leave as existing CUSC text.}*

(h) to the extent such information is available to **NGC**, an assessment of the impact of the **Proposed Amendment** and any **Alternative Amendment** on **CUSC Parties** in general (or classes of **CUSC Parties** in general), including the changes which are likely to be required to their internal systems and processes and an estimate of the development, capital and operating costs **to such CUSC Parties** associated with implementing the changes to the **CUSC** and to **Core Industry Documents**;

17. Amendment Report

8.20.3 *{Leave as existing CUSC text.}*

18. Urgent Amendment Proposals

8.21.2 The matters referred to in Paragraph 8.21.1 are:

(a) *{Leave as existing CUSC text.}*

19. Urgent Amendment Proposals

8.21.3 If:

- (a) *{Leave as existing CUSC text.}*
- (...)
- (c) *{Leave as existing CUSC text.}*