

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(a) each Amendment Proposal which has been withdrawn pursuant to Paragraph -8.15.8 or rejected by the Amendment Panel; and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

Amendment Proposal

[Name of Proposer]

1. 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.

2. **THE COMPLETED FORM SHOULD BE RETURNED TO:**

- 2.1 **MARK COX**

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

- 3.

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.)

4. 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

5. 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)

6. 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*

7. Capacity in which the Organisation Proposes to make an Amendment:

(i.e. CUSC Party, BSC Party or “energywatch”)

CUSC Party

8. 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.

9. 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.

10. 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.

11. 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.

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

(This should be given where possible)

None

13. 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

14. 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