

## Transmission Access Standing Group Terms of Reference Paper (Issue 1)

### Introduction

1. Ofgem's Revised Proposals document on Transmission Access and Losses was published on 26 February 2002. The content of the document was discussed at the CUSC Amendments Panel meeting on 22 March 2002. At the meeting, the Panel agreed that a Standing Group should be established under the CUSC governance to consider further the reform of the transmission access arrangements and to identify and take forward the appropriate contractual framework to provide for the new arrangements.
2. This paper outlines the working arrangements and terms of reference for the Transmission Access Standing Group (TASG).

### Proposed Membership of the Transmission Access Standing Group

3. The CUSC Amendments Panel agreed to establish the TASG with the following membership:

Chair:	Phil Russell	(TXU)
Other Members:	John Capener	(British Energy)
	Dick Cecil	(London Electricity Group)
	Peter Clubb	(GDF)
	Hugh Conway	(Energywatch Representative)
	Nigel Cornwall	(Cornwall Consulting)
	Richard Court	(National Grid)
	Charles Davies	(National Grid)
	Nick Frydas	(EDF Trading)
	Mike Harrison	(Scottish Power)
	Duncan Jack	(St Clements)
	Paul Jones	(PowerGen)
	David Lane	(Clear Energy)
	Phil Lawton	(National Grid)
	Simon Lord	(First Hydro)
	Keith Miller	(Teesside Power)
	Brian Sequeira	(British Gas)
	John Stewart	(Campbell Carr)
	Malcolm Taylor	(AEP)
	David Tolley	(Innogy)
	Barbara Vest	(RWE Trading Direct)

Note: the above membership can be amended from time to time by the CUSC Amendments Panel.

### Meeting Administration

4. The frequency of TASG meetings shall be defined as necessary by the TASG chair to meet the Terms of Reference and time scales as defined below.
5. National Grid will provide technical secretary resource to the TASG and handle administration arrangements such as venue, agenda and minutes etc.
6. The TASG will have a dedicated page under the CUSC section of the National Grid Industry Information website. This will enable TASG information such as minutes and presentations to be available to a wider audience in a timely manner.

### Terms of Reference

7. The TASG has been established and actioned to consider further the reform of the transmission

access arrangements and to identify and evaluate the options for changes (consistent with Ofgem's 'Transmission access and losses under NETA – Revised Proposals' document) and their implications for the CUSC and other industry documents.

8. The Standing Group should review the points set out in Section 4 of Ofgem's February 2002 paper on Transmission Access & Losses as they relate to the current access arrangements and in particular should review:
  - the 'firmness' of the allocated rights to all Users who use the transmission system (also need to clarify the Maximum Export Capacity and demand side rights of Parties and clarify what obligations exist with regards which category of transmission charge that has to be paid by Parties for the allocated rights);
  - how allocated rights for use of the transmission system are enforced (i.e. how it is ensured that Users have the correct agreements in place with National Grid and how they comply with them) and how the allocated rights are monitored and settled;
  - compensation for constraints, failures and disconnections;
  - the duration and quantity of the rights allocated; and
  - the inter-relationship and linkage to other industry arrangements.
  - the potential for the trading of any allocated rights between Parties (e.g. facilitating novations of connection agreements);
9. In progressing the issues raised above, the TASG should be cognizant of any work undertaken in relation with arrangements for Transmission Access in other industry work streams (e.g. transmission losses under the BSC, cost signaling under the Charging Forums and SO Incentives under the Licence). Furthermore, the TASG should be mindful of any interaction between the Transmission Access arrangements and any other relevant issues being considered by the industry (in particular those relating to BETTA, European Developments e.g. Cross Border Tariffs and the Government's Energy Review).
10. The Standing Group Chairman will be responsible for providing a verbal report on the Standing Groups progress with regards the issues raised above at each Amendments Panel Meeting. Furthermore, the Standing Group Chairman will be responsible for producing a Standing Group Report. The report should be submitted to the Panel Secretary by [date to be determined] for circulation to Panel Members and the Conclusions of such report should be presented to the Amendments Panel meeting scheduled for [date to be determined]. The report should be written with reference to Section 8.18 of the CUSC.
11. It should be noted that, in accordance with Section 8 of the CUSC, the TASG itself, as a Standing Group under the Amendments Panel, is unable to propose an amendment to the CUSC.

#### **Relationship with Amendments Panel**

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

#### **Meetings**

14. The Standing Group shall develop and adopt its own internal working procedures and provide a copy to the Panel Secretary.