

Workgroup Terms of Reference and Membership

TERMS OF REFERENCE FOR CMP250 WORKGROUP

CMP250 aims to eliminate BSUoS volatility and unpredictability by proposing to fix the value of BSUoS over the course of a season, with a notice period for fixing this value being at least 12 months ahead of the charging season.

Responsibilities

1. The Workgroup is responsible for assisting the CUSC Modifications Panel in the evaluation of CUSC Modification Proposal **CMP250 'Stabilising BSUoS with at least a twelve month notice period'** tabled by Drax Power at the CUSC Modifications Panel meeting on 28th August 2015.
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 (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 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.
 - (d) compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency.
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:
 - a) *Implementation*
 - b) *Review draft legal text*
 - c) *Consider who picks up the costs of transferring the risk.*
 - d) *Consider whether transferring the risk has a consumer benefit*
 - e) *Can CMP250 be applied with an independent SO?*
 - f) *Technical and commercial implementation for customers*
 - g) *Consider effect of charging volatility/ predictability/ HH/ Day ahead/Year ahead/*
 - h) *Minimum notification period required to make a material difference*
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 3 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 21st July 2016 for circulation to Panel Members. The final report conclusions will be presented to the CUSC Modifications Panel meeting on 29th July 2016.

Membership

13. It is recommended that the Workgroup has the following members:

Role	Name	Representing
<i>Chairman</i>	Nikki Jamieson	Code Administrator
<i>National Grid Representative*</i>	Nick Pittarello	National Grid
<i>Industry Representatives*</i>	Garth Graham	SSE
	Jon Wisdom	Npower
	Peter Bolitho	Waters Wye
	Lee Taylor	Engie
	Christopher Granby	Infinis
	Cem Suleyman (proposer)	Drax Power
	Paul Jones	Uniper
	Binoy Dharsi	EDF
	James Anderson	Scottish Power
<i>Authority Representatives</i>	Donald Smith	Ofgem
<i>Technical secretary</i>	Heena Chauhan	Code Administrator
<i>Observers</i>		

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 CMP250 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 1 – Indicative Workgroup Timetable

The following timetable is indicative for CMP250

7 September 2015	Deadline for comments on Terms of Reference / nominations for Workgroup membership
7 October 2015	Workgroup meeting 1
20 October 2015	Workgroup meeting 2
2 November 2015	Workgroup meeting 3
3 December 2015	Workgroup meeting 4
19 January 2016	Workgroup meeting 5
29 February 2016	Workgroup meeting 6
7 March 2016	Workgroup Consultation issued for 1 week Workgroup comment
14 March	Deadline for comment
15 March 2016	Workgroup Consultation published (for 20 working days)
14 April 2016	Deadline for responses
w/c 18 April 2016	Workgroup meeting 7 (Review consultation comments)
w/c 2 May 2016	Workgroup meeting 8 (Workgroup vote)
5 May 2016	Circulate draft Workgroup Report

12 May 2016	Deadline for comment
23 March 2017	Submit final Workgroup Report to Panel
31 March 2017	Present Workgroup Report at CUSC Modifications Panel

Post Workgroup modification process

5 April 2017	Code-Administrator Consultation published (15days)
1 May 2017	Deadline for responses
5 May 2017	Draft FMR published
12 May 2017	Deadline for comments
18 May 2017	Draft FMR issued to CUSC Panel
26 May 2017	CUSC Panel Recommendation vote
2 June 2017	Final CUSC Modification Report submitted to Authority