

Workgroup Terms of Reference and Membership

TERMS OF REFERENCE FOR CMP280 WORKGROUP

CMP280 aims to remove liability from Generator and Storage Parties for the Demand Residual element of the TNUoS tariff.

Responsibilities

1. The Workgroup is responsible for assisting the CUSC Modifications Panel in the evaluation of CUSC Modification Proposal **CMP280 Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users'** raised by **Scottish Power** at the Modifications Panel meeting on 30 June 2017.
2. The proposal must be evaluated to consider whether it better facilitates achievement of the Applicable CUSC Objectives. These can be summarised as follows:

Charging Applicable Objectives

- (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 accordance with the STC) incurred by transmission licensees in their transmission businesses and which are compatible with standard license 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. These are defined within the National Grid Electricity Transmission plc. License under Standard Condition C10, paragraph 1; and
 - (e) Promoting efficiency in the implementation and administration of the system charging methodology.
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) Consider interactions (if any) with the Ofgem's TCR (Panel noting the timelines associated with the TCR)
 - b) Consider the practical implications of solution e.g. that all metered data is available to National Grid to support the proposed solution
 - c) Consider what the interaction with other participants (e.g. Distribution storage)
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 **15 working days** 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 **7 December 2017** for circulation to Panel Members. The final report conclusions will be presented to the CUSC Modifications Panel meeting on **15 December 2017**.

Membership

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

Role	Name	Representing
Chairman	Caroline Wright	Code Administrator
National Grid Representative	Urmi Mistry	National Grid
Industry Representatives	Rupert Steele James Anderson Bill Reed Robert Longden Libby Glazebrook Paul Mott Andrew Colley Paul Youngman Fruzina Kemenes	Scottish Power (Proposer) Scottish Power RWE Cornwall Energy Engie EDF Energy SSE Drax Innogy
Authority Representatives	Judith Ross	OFGEM
Technical secretary	Heena Chauhan	Code Administrator
Observers	Nicholas Rubin	ELEXON

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 CMP280 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 - Timetable

Workgroup Stage

22 June 2017	CUSC Modification Proposal submitted
30 June 2017	Modification Presented to the Panel
30 June 2017	Request for Workgroup Members (10 working days)
w/c 31 July 2017	Meeting 1 via WebEx to ensure Workgroup members have a fully understanding of the context of the modification
w/c 18 September 2017	Circulate draft Workgroup Report
September to December 2017 -	Workgroup Meetings – Develop Proposal
3 January 2018 – 24 January 2018	Workgroup Consultation issued to the Industry (15WD)
w/c 29 January 2017	Workgroup Meeting - Workgroup review consultation responses
During February 2018	Workgroup Meetings - Agree options, finalise legal text and vote
w/c 26 February 2018	Workgroup vote and Report sign-off
15 March 2018	Workgroup Report issued to CUSC Panel
23 March 2018	CUSC Panel meeting to discuss Workgroup Report

Code Administrator Stage

27 March 2018	Code Administration Consultation Report issued to the Industry (15 WD)
19 April 2018	Draft FMR published for industry comment (3 Working days)
19 April 2018	Draft Final Modification Report presented to Panel
27 April 2018	CUSC Panel Recommendation vote
3 May 2018	Final Modification Report issued the Authority
7 June 2018	Indicative Decision for the Authority
1 April 2019	Decision implemented in CUSC