



## **Modification Proposal 286 / 286A Extending Modification Panel Voting Rights to a Consumer Representative - AEP<sup>1</sup> Response**

The Association welcomes the opportunity to comment on this draft modification report. We support the principle of the Consumer Representative(s) on the UNC Modification Panel being given voting rights and in this regard support both proposals. This change would be consistent with the Final Proposals of Ofgem's Code Governance Review and will bring the UNC into line with the BSC and CUSC. The establishment of voting rights for Consumer Representatives will ensure that the impact on all types of consumers is properly considered during the modification process.

The Association is mindful of there being concerns within the industry regarding this modification proposal, such as the impact on appeals and the consumer representative potentially holding a casting vote. The Association considers these proposals may be exaggerated and considers that if such circumstances may arise then there may be more focus on understanding the impact of proposals on customers which can only be a good thing.

There have also been concerns expressed over the timing of this proposal in relation to the package of proposals arising from the Code Governance review final proposals. The Association considers that each proposal needs to be considered on its merits at the time and there may be benefits of an incremental approach rather than one proposal capturing all changes.

The Association would like to make the following comments with respect to the difference between the two proposals.

The Association does not have a strong view on whether there should be one or more Consumer Representatives on the Modification Panel. The important issue is that the interests of all types of consumers are taken into account, which may be difficult where there is only one representative and a particular proposal affects domestic and industrial customers differently.

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<sup>1</sup>The Association of Electricity Producers (AEP) represents large, medium and small companies accounting for more than 95 per cent of the UK generating capacity, together with a number of businesses that provide equipment and services to the generating industry. Between them, the members embrace all of the generating technologies used commercially in the UK, from coal, gas and nuclear power, to a wide range of renewable energies.

Similarly the Association does not have a strong view on whether the Consumer Representative should have voting rights in respect of UNCC business but does not think a strong case has been made for exclusion, particularly since the UNCC considers issues including demand estimation, standards of service and the reporting manual which may be of relevance to customers.

The Association does not consider it necessary for the NCC to be limited to appointing either its own staff or sub-contractors to be voting Modification Panel members, rather it is important that the appointed representative(s) have sufficient knowledge and expertise to represent customers views and are receptive to understanding the views of all customers.

Issues concerning self-governance proposals should be considered at the time self-governance is introduced into the UNC.

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