

Alternative Proposals

UNC Governance Workstream

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Licence Obligations

- Standard Special Condition A11 paragraph 9 c) provides for the making of alternative proposals, except in a case where the Authority otherwise directs in writing.
- Paragraph 10 b) provides for parties other than the original proposer to make alternatives.
- Paragraph 11b) similar to 10 b), but relates to Network Code rather than UNC.

UNC Provision

- Modification Rules paragraph 6.4 reflect the Licence obligations, but of note
- Third Party Participants may only make alternatives to Third Party Proposals,
- Alternatives must be made within 5 days of date original proposal is to proceed and both will proceed through Procedures together,

UNC Provision

If any Modification Proposal is withdrawn,
Parties other than the Proposer may;

- raise an alternative proposal, or
- adopt the withdrawn proposal,
- If adopted, the proposal continues through the Modification Procedures from the point at which it was withdrawn.

Other Codes

- BSC (section F 2.3) and
- CUSC (section 18.16.6)

allow for amalgamation where;

a) subject matter sufficiently proximate for grounds of efficiency, or

b) where there is logical interdependency

When proposals are amalgamated they are treated as a single proposal and progress as one.

Areas for Development

- What is an alternative proposal?
 - If implementation of one would negate the impact of the other, they are alternatives i.e. only plausible for one to be implemented, not both?
 - What about timing
 - If can implement one, and the other subsequently, are they alternatives?
 - What if alternative raised late in the process, for example at the Panel meeting where a recommendation is sought on the initial Proposal?
 - Should Urgent proposals always be separate?

Areas for Development

- Who should decide if it is an alternative?
 - Proposer, or all Proposers?
 - Role for Panel to determine when alternatives exist?
- Need for formal alternative
 - Any new proposal can be an alternative, is XXXa needed?
- How to vary procedures if an alternative exists?
 - Combine all stages
 - Same development process and timing?
 - One report covers all?
 - Views sought on, and Panel recommends, which best facilitates Relevant Objectives?

Proposition

- Remove formal alternative concept
- Proposer indicates if Proposal should be treated as an alternative to another live Proposal
- Panel determines if alternative procedures should be followed or whether to amalgamate
 - Take into account timing
 - Presumption in favour of combination prior to consultation phase
- All Urgent Proposals processed independently following timetable agreed by Ofgem
 - If Ofgem will only decide on both at the same time, Ofgem can set the timetables accordingly

Proposition

- If determined to be alternatives, proceed in parallel
 - One representation sought covering all
 - One report produced
 - To include views on the relative merits of the alternatives in the context of the Relevant Objectives
 - Ofgem determine outcome of each separately