

## CUSC Panel Minutes: 26 July 2019

### CUSC Panel Minutes: Meeting Number 237

<b>Date:</b> 26/07/2019	<b>Location:</b> L1-17, Faraday House, Warwick and WebEx
<b>Start:</b> 10:00am	<b>End:</b> 3:00pm

### Participants

Attendee	Initials	Company
Trisha McAuley	TM	Independent Panel Chair
Paul Mullen	PMU	Code Administrator, National Grid Electricity System Operator
Ren Walker	RW	Technical Secretary, Code Administrator, National Grid Electricity System Operator
Jon Wisdom	JW	National Grid Electricity System Operator
Simon Lord	SL	Users' Panel Member
Paul Mott	PMO	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Andy Pace	AP	Users' Panel Member
Garth Graham (Dial in)	GG	Users' Panel Member
Jeremy Caplin (Dial in)	JC	ELEXON (Alternate)
Cem Suleyman (Dial in)	CS	Users' Panel Member
Grace Smith	GS	Sembcorp - Observer
Rachel Beaufoy	RB	Code Administrator, National Grid Electricity System Operator - Observer
Rob Marshall (Item 2 only)	RM	National Grid Electricity System Operator

Apologies	Initials	Company
Robert Longden	RL	Users' Panel Member

### 1. Introductions and Apologies for Absence

9731. Apologies were received from Robert Longden. Grace Smith (Sembcorp) and Rachel Beaufoy (Code Administrator, National Grid ESO) attended the CUSC Panel as observers.

### 2. CUSC Panel Elections 2019

9732. RM attended the CUSC Panel to provide an update on the CUSC Panel Elections 2019. RM advised the Panel that National Grid ESO has recognised that CUSC Schedule 1 is out of date and has taken an action to review this and amend. RM stated that all documents in relation to the Elections have been published on the National Grid ESO website and can be found via the following link:

<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc>

9733. RM continued by explaining to the Panel that National Grid ESO is extending the nomination period by 1 week and further communication will be sent. RM confirmed this does not affect the timeline for voting.

9734. PJ questioned if CUSC Schedule 1 which is published on the website is different to the version used for the Elections. RM confirmed that Schedule 1 as of 20 June 2019, is the baseline for elections and the ESO are currently identifying a new way of ensuring the process for updating Schedule 1 is efficient.

9735. GG advised RM that the Elections documents are not correctly listed on the ESO website. RM took an action to review this and amend the website.

#### **ACTION**

9736. GG highlighted that the Connections team within the ESO have been advising the Code Administrator of Companies on Schedule 1 who are affiliates and raised concerns that this was not in line with the Companies Act definition of Affiliates. RM agreed with GG that we will apply the Companies Act definition of Affiliates and agreed to confirm this with National Grid ESO's legal team.

#### **ACTION**

### 3. Approval of Minutes from Previous Meeting

9737. TM advised that the minutes from the meeting held on 28 June 2019 should be changed to reflect the fact that the 17 May minutes had not been approved. Subject to this, and the proposed amendments made by PJ, the Panel approved the minutes of 28 June and 17 May.

### 4. Review of Actions

9738. The CUSC Panel reviewed the open actions from the meeting held on 28 June 2019 which can be found on the Actions Log.

## 5. Authority Decisions

9739. NH advised that CMP285 'CUSC Governance Reform – Levelling the Playing Field' was approved by the Authority on 4 July 2019 and implemented into the CUSC on 5 July 2019. The decision letter and implementation documentation on CMP285 can be found via the following link Further information on CMP285 can be found via the following link:

<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/cusc-governance-reform-leveling-playing>

9740. TM noted that the decision letter from the Authority recommended that there be a Fast Track Self-Governance Modification raised. The purpose of this Modification is to clarify the definition of Affiliate in Section 11 of the CUSC. The Code Administrator is aware that this Modification needs to be raised and plans to raise it in September.

### ACTION

9741. NH confirmed that Ofgem has received the Final Modification report for CMP314 'Updating the CUSC to align Power Available with the Grid Code definition for Power Park Modules'. NH stated that Ofgem will endeavour to meet the 25-day KPI for a decision on this Modification. Further information on CMP314 can be found via the following link:

<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/cmp314-updating-cusc-align-power-available>

## 6. New non-urgent Modification Request

9742. Two new CUSC Modifications were raised at the Panel meeting. These were:

### **CMP319 'Consequential changes to Section 11 of the CUSC as a result of CMP280 and or CMP281'.**

9743. The Proposer, SL, delivered a presentation on CMP319. SL advised this Modification has been raised as a result of Modifications CMP280 'Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users' and CMP281 'Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities'.

9744. SL explained that CMP280 and CMP281 are charging modifications and as such can only change Section 14 of the CUSC. If either modification is approved, changes to other non-charging sections of the CUSC will be required. The principle change required is the addition of definitions of storage as a class. The definitions are common to CMP280, CMP281 and their alternates. SL requested that this Modification follow the same timeline as CMP280 and CMP281.

9745. The CUSC Panel unanimously agreed that CMP319 should proceed straight to Code Administrator Consultation for 20 working days and run in conjunction with CMP280 and CMP281.

9746. CMP319 Modification proposal form can be found on the National Grid ESO website via the following link: <https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/consequential-changes-section-11-cusc>

### **CMP320 'Island MITS Radial Link Security Factor'**

9747. The Proposer, JG from SSE Generation Ltd, delivered a presentation on CMP320. JG advised that islands that have a MITS Node but are served by a single circuit radial link are exposed to non-cost reflective charging of a 1.8 Security Factor rather than the application of a 1.0 Security Factor. This proposal will apply a 1.0 Security Factor in that situation. The Modification proposal can be found on the National Grid ESO website via the following link: <https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/island-mits-radial-link-security-factor>
9748. JG advised that the proposed solution is to amend Section 14 of the CUSC to apply a Security Factor of 1.0 (rather than 1.8) where a MITS node is located on an island which, in turn, is connected to the mainland on a single radial circuit. The view of the Proposer is that CMP320 should proceed to Code Administrator Consultation.
9749. The Panel held discussions on CMP320. PJ and JW agreed that further work needs to be carried out and to also factor in how this Modification impacts the SQSS. AP questioned how this Modification would impact consumers. JW advised that this would have an impact on consumers due to the charging methodology potentially changing.
9750. GG stated that although there is MITS on the island, this doesn't mean it's connected to the transmission circuit. GG explained that a Security Factor of 1.0 would have no redundancy and would not apply to mainland situations.
9751. The Panel agreed that further options would need to be explored for the Modification and agreed that this Modification should be developed through a Workgroup. The Panel agreed the Terms of Reference for CMP320.

## 7. In Flight Modifications

9752. PMU talked the Panel through the progression of the in-flight Modifications. The in-flight Modifications can be found within the CUSC Panel papers pack on the National Grid ESO website via the following link: <https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/meetings/cusc-panel-meeting-26-july-2019>
9753. PMU advised the Panel that a Special CUSC Panel meeting will be required in w/c 9 September to vote on CMP280 and CMP281, CMP319 and CMP295. The Code Administrator will liaise with Panel on their availability for this meeting and issue an invitation.

### **ACTION**

9754. The CUSC Panel agreed and approved the Terms of Reference for CMP317 'Identification and exclusion of Assets Required for Connection when setting Generator Transmission Network Use of System (TNUoS) charges' following some amendments made post the initial Workgroup. [Post Meeting Note: these have now been passed back to the Workgroup]
9755. JW questioned if Ofgem could indicate if they had made a decision on the materially affected status for National Grid Electricity Transmission (NGET) on CUSC Modification CMP288 and CMP289. NH advised that Ofgem are in their final stages of making a decision on the designation, however highlighted that this should not prevent the progression of the Modifications. Ofgem and ESO agreed to check if they had any historical correspondence re: previous decisions on materially affected status –

9756. **ACTION**

9757. PMU presented the workgroup reports for CMP280 'Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users' & CMP281 'Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities.
9758. The CUSC Panel unanimously agreed that the CMP280 and CMP281 Workgroup had met its Terms of Reference and should therefore proceed to Code Administrator Consultation. The Panel agreed that this consultation should be open for 20 Working days.
9759. All CMP280 and CMP281 related documents can be found on the National Grid ESO website via the following links: CMP280 - <https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/creation-new-generator-tnuos-demand-tariff>  
CMP281 - <https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/removal-bsuos-charges-energy-taken-national>
9760. The CUSC Panel also voted on the DFMR for CMP295 'Contractual Arrangements for Virtual Lead Parties (Project TERRE)' The Panel unanimously agreed that the CMP295 Workgroup had met its Terms of Reference and should therefore proceed to Code Administrator Consultation. The Panel agreed that this consultation should be open for 20 Working days.
9761. The Panel held a vote on CMP292 'Introducing a Section 8 cut-off date for changes to the Charging Methodologies' (<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/introducing-section-8-cut-date-changes>). The Panel members agreed by majority that the Original was better than the baseline and recommended that it should be implemented.
9762. PM advised the Panel that the CMP292 Final Modification report would be submitted to the Authority for a decision on 16 August 2019.

## 8. Discussions on Prioritisation

9763. The CUSC Panel reviewed the prioritisation stack. GG had a different view on where CMP291 should be placed on the stack. The CUSC Panel's rationale on the prioritisation stack is included to show transparency to industry members. The revised version of the stack can be found via the following link:  
<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/meetings/cusc-panel-meeting-28-june-2019>

## 9. Chair Update

9764. TM had no updates for the Panel.

## 10. Standing Groups

### **Governance Standing Group**

9765. No further updates.

### **Transmission Charging Methodology Forum (TCMF)**

9766. JW advised that the TCMF had been held on 10 July 2019 and confirmed that updates had been provided on Code Modifications. JW also advised that National Grid ESO had

presented on the following: Queue Management and Interactivity update, RIIO-2 business plan, Reforming Energy Codes' content and Reviewing TNUoS generation zones for RIIO-2.

9767. All presentations from TCMF can be found via the following link:

<https://www.nationalgrideso.com/codes/transmission-charging-methodology-forum-tcmf>

9768. JW advised that no TCMF will be held in August and the next meeting will be held on 11 September 2019.

## 11. European Updates

### European Code Development

9769. NH confirmed there was no further update.

### Joint European Stakeholder Group (JESG)

9770. GG advised that JESG was held on 11 July 2019. GG confirmed that updates were provided by National Grid ESO on the Clean Energy package. Further information from the JESG meeting can be found via the following link: <https://www.nationalgrideso.com/codes/european-network-codes/meetings/jesg-meeting-11-july-2019>

9771. GG confirmed that the next JESG meeting will be held on 10 September 2019.

## 12. Update on other Industry Codes

9772. PMO provided an update on the BEIS/Ofgem Energy Codes Review consultation. Further information on the consultation can be found via the following link: <https://www.ofgem.gov.uk/publications-and-updates/consultation-reforming-energy-industry-codes>

9773. NH advised that the consultation closes on 16 September 2019 and Ofgem will hold a workshop following the closing of the consultation.

## 13. Relevant Interruptions Claim Report

9774. PMU stated that this agenda item was discussed as part of the review of actions log. PMU confirmed that updates on the Relevant Interruption Claims report will be delivered every quarter.

## 14. Other CUSC Panel Updates

### CACoP

9775. PM advised the Panel that CACoP hosted an engagement event on 16 July 2019 for all parties looking to better understand the role of CACoP. CACoP agreed to take away this feedback and feed it into their Forward Plan.

## 15. Horizon Scan

### Horizon Scanning

9776. PM stated there was no further update on the horizon scan this month. An update will be provided at the August Panel.

## 16. AOB

### **Code Administrator Critical Friend Checks**

9777. PM delivered a presentation on Critical Friend checks which the Code Administrator will be carrying out for each new Modification proposal. PM confirmed that the Code Administrator is undertaking these checks to fulfil the role of a Critical Friend to Industry.
9778. PM advised the Panel that a guidance note will be published on the National Grid ESO website and can be found via the following link: <https://www.nationalgrideso.com/eso-code-administrator-improvements-page>
9779. GG raised a concern in respect of slide 58 of the CUSC Panel presentation pack. GG stated that the reference to 'retrospectivity' could be misconstrued, leading to parties thinking they can raise retrospective changes easily. Following this concern, PMU amended the slides to read 'Is the proposed timing of implementation clearly articulated?'
9780. GG reminded the Panel of the previously stated concern from industry that National Grid ESO could have an advantage over the new submission date of Modifications, following the implementation of CMP313 'Critical Friend review period for submission of new Modifications' (<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/cmp313-critical-friend-review-period>) and requested that the Code Administrator send the email containing the Modification proposal they received from the Proposer to the Panel Chair to ensure a fair and transparent process.
9781. The Code Administrator confirmed that they will forward on the email they received from the Proposer to ensure that there is a clear date and time stamp of when the Modification was submitted.

### **ACTION**

**The next CUSC Panel meeting will be held on Friday 30 August 2019 at Faraday House, Warwick.**