









Draft CUSC Modification Report		At what stage is this document in the process?
<h1>CMP321:</h1> <h2>Housekeeping Modification to clarify the definition of Affiliate as a result of CMP285.</h2>		<div style="display: flex; flex-direction: column; align-items: center;"> <div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="border: 1px solid black; border-radius: 5px; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; margin-right: 5px;">01</div> <div style="border: 1px solid black; border-radius: 5px; padding: 5px; text-align: center;">Draft CUSC Modification Report</div> </div> <div style="display: flex; align-items: center;"> <div style="border: 1px solid black; border-radius: 5px; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; margin-right: 5px;">02</div> <div style="border: 1px solid black; border-radius: 5px; padding: 5px; text-align: center;">Approved CUSC Modification Fast Track Report</div> </div> </div>
<p>Purpose of Modification: This Modification seeks to clarify the definition of ‘Affiliate’ within Section 11 of the CUSC as a result of CMP285 implementation.</p>		
	<p>The Proposer recommends that this modification should be:</p> <ul style="list-style-type: none"> subject to fast track self-governance <p>This modification was raised 12 September 2019 and will be presented by the Proposer to the Panel on 27 September 2019. The Panel will consider the Proposer’s recommendation and determine the appropriate route.</p>	
	<p>High Impact: None identified</p>	
	<p>Medium Impact: None identified</p>	
	<p>Low Impact: CUSC Parties and CUSC Panel</p>	

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Timetable												
The Code Administrator recommends the following timetable:		Proposer: Ren Walker										
<table border="1"> <tr> <td>Draft Fast Track Self- Governance Report issued to the CUSC Panel</td> <td>19 September 2019</td> </tr> <tr> <td>Draft Fast Track Self-Governance Report presented to Panel</td> <td>27 September 2019</td> </tr> <tr> <td>Modification Panel decision</td> <td>27 September 2019</td> </tr> <tr> <td>Appeals Window closes (15 Working Days)</td> <td>25 October 2019</td> </tr> <tr> <td>Decision implemented in CUSC</td> <td>8 November 2019</td> </tr> </table>		Draft Fast Track Self- Governance Report issued to the CUSC Panel	19 September 2019	Draft Fast Track Self-Governance Report presented to Panel	27 September 2019	Modification Panel decision	27 September 2019	Appeals Window closes (15 Working Days)	25 October 2019	Decision implemented in CUSC	8 November 2019	 cusc.team@nationalgrideso.com
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Proposer Details

Details of Proposer:	Ren Walker
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(Organisation Name)	
Capacity in which the CUSC Modification Proposal is being proposed: (i.e. CUSC Party, BSC Party or "National Consumer Council")	National Grid Electricity System Operator
Details of Proposer's Representative: Name: Organisation: Telephone Number: Email Address:	
Details of Representative's Alternate: Name: Organisation: Telephone Number: Email Address:	
Attachments (Yes/No): No If Yes, Title and No. of pages of each Attachment:	

Impact on Core Industry Documentation

BSC	<input type="checkbox"/>
Grid Code	<input type="checkbox"/>
STC	<input type="checkbox"/>
Other	<input type="checkbox"/>

This Modification Proposal has no impact on core Industry documentation.

1 Summary

Defect

The Authority, when making its decision to approve the implementation of CMP285 ‘CUSC Governance Reform – Levelling the Playing Field’, WACM1 – Grouping votes, alternates, and transparency proposals, noted that the definition of Affiliate in Section 11 (Interpretations and Definitions) of the CUSC needs to be modified to make it clear that it applies to Users for the purposes of the definition of Voting Group, as referred to in Annex 8A.

What

CMP285 ‘CUSC Governance Reform – Levelling the Playing Field’ was raised to reform CUSC governance to enhance the independence and diversity of Panel members and ensure wider engagement from CUSC signatories. On the 4 July 2019, the Authority directed that CMP285 ‘CUSC Governance Reform – Levelling the Playing Field’, WACM1 – Grouping votes, alternates, and transparency proposals, should be implemented on 5 July 2019 but noted that the definition of Affiliate needed clarifying using a Fast- Track Self-Governance Modification.

Why

Ofgem, in their CMP285 decision letter, directed that a Fast-Track Self-Governance Modification is raised to clarify the definition of Affiliate in Section 11 of the CUSC. The CMP285 decision letter can be found in Annex 1 of this document and via the following link:

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

How

It is proposed that a Fast Track Self-Governance Modification is raised to amend the definition of Affiliate in Section 11 ‘Interpretations and Definitions’ of the CUSC.

2 Governance

Justification for Fast Track Self-Governance

The Proposer recommends that this Modification follows the Fast Track Self-Governance procedure as directed by the Authority in their decision letter as the changes meet the required criteria as the Modification is required as a result of factual change, including but not limited to:

iv) Updating out of date references to other documents or paragraphs.

The Self- Governance criteria is met as the modification is unlikely to discriminate between different classes of CUSC Parties and is unlikely to have a material effect on:

i) Existing or future electricity customers;

- ii) Competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity,
- iii) The operation of the National Electricity Transmission System
- iv) Matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies
- v) The CUSC's governance procedures or the CUSC's modification procedures

For information, Fast Track Self- Governance – Guidance

- Rectify internal inconsistencies
- Remove outdated (or redundant) information;
- Correct typographical errors in the CUSC; or
- Further development / detail existing processes or code arrangements (without introducing new requirements upon code parties which significantly impact business practices or systems).

Requested Next Steps

This modification should:

- be subject to Fast Track self-governance

3 Why Change?

CMP321 will correctly reflect the changes required under CMP285 decision letter to Section 11 'Interpretations and Definitions' of the CUSC.

4 Code Specific Matters

Technical Skillsets

Not required.

Reference Documents

Ofgem decision letter on CMP285 'Levelling the Playing Field – CUSC Governance Reform' <https://www.nationalgrideso.com/document/147216/download>

5 Solution

It is proposed that the definition of Affiliate in Section 11 of the CUSC is modified as directed in the CMP285 decision letter.

6 Impacts & Other Considerations

Does this modification impact a Significant Code Review (SCR) or other significant industry change projects, if so, how?

This Modification has no impact on the Significant Code Review (SCR) or other significant industry change projects.

Consumer Impacts

This Modification has no material impact on consumers.

7 Relevant Objectives

Impact of the modification on the Applicable CUSC Objectives (Standard):

Relevant Objective	Identified impact
(a) The efficient discharge by the Licensee of the obligations imposed on it by the Act and the Transmission Licence;	None
(b) Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;	None
(c) Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency *; and	None
(d) Promoting efficiency in the implementation and administration of the CUSC arrangements.	Positive

*Objective (c) refers specifically to European Regulation 2009/714/EC. Reference to the Agency is to the Agency for the Cooperation of Energy Regulators (ACER).

The Proposer believes that this change will better facilitate relevant objective (d).

8 Implementation

. It is proposed that the CMP321 Fast Track Self- Governance Proposal is implemented 10 Working days after the appeals window closes, providing no objections have been raised.

The proposed implementation date is 8 November 2019.

9 Legal Text

Section 11 – Interpretations and Definitions

"Affiliate"

in relation to **The Company** (and in relation to Paragraphs 3.6.9.8, 6.14, **8A.3.1.2** and 8A.4.2.2, any **User**) means any holding company or subsidiary of **The Company** (or the **User** as the case may be) or any subsidiary of a holding company of **The Company** (or the **User** as the case may be), in each case within the meaning of sections 736, 736A and 736B of the Companies Act 1985 as substituted by section 144 of the Companies Act 1989;

10 Recommendations

Proposer's Recommendation to Panel

Panel is asked to:

- Agree that Fast Track Self- Governance procedures should apply; and
- Agree that this Fast Track Proposal should be implemented.

11 Annex 1 – Ofgem decision letter on CMP285