

CUSC Panel Minutes: 24 April 2020

CUSC Panel Minutes: Meeting Number 248

Date: 24/04/2020 **Location:** WebEx
Start: 10:00am **End:** 14:00pm

Participants

Attendee	Initials	Company
Trisha McAuley	TM	Independent Panel Chair
Paul Mullen	PM	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
Joseph Dunn	JD	Users' Panel Member
Paul Mott	PMO	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Andy Pace	AP	Users' Panel Member
Grace March	GM	Users' Panel Member
Mark Duffield	MD	Users' Panel Member

Paul Jones	PJ	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Andrew Enzor	AE	Users' Panel Member (Alternate)
Chrissie Brown	CB	Agenda item 18 - AOB
Apologies	Initials	Company
Damian Clough	DC	BSC Representative
Simon Lord	SL	Users' Panel Alternate

1. Introductions and Apologies for Absence

10169. Apologies were received from Damian Clough and Simon Lord.

2. Approval of minutes from previous meeting

10170. The minutes from the Special CUSC Panel on 18 March and the Panel on 27 March 2020 were approved.

3. Action log

10171. The CUSC Panel reviewed the open actions from the meeting held on 27 March 2020, which can be found on the Actions Log.

4. Chair update

10172. TM had no updates for the Panel.

5. Authority decisions

10173. NH advised the Panel that Ofgem's moratorium will be lifted on 28 April 2020. Following this, decisions on [CMP281](#) 'Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities' and [CMP319](#) 'Consequential changes to section 11 of the CUSC as a result of CMP280 and/or 281' will be published in May. Decision on [CMP280](#) 'Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users' will be made at same time as CMP334 as CMP280 will be superseded by CMP334 (which defines Final Demand).

10174. NH stated that a decision on [CMP306](#) 'Align annual connection charge rate of return at CUSC 14.3.21 to price control cost of capital' will also be published in May. All other modifications with Ofgem for a decision have been put on hold so that Ofgem can deliver their priority works which they [published](#) on their website.

10175. NH questioned if the urgency status for [CMP339](#) 'Consequential changes for CMP317/327' was still required due to the recent change in timelines. Panel agreed to withdraw their

recommendation for Urgency and Proposer also confirmed they no longer require to follow an Urgent timeline. The same decision was agreed for CMP340.

6. New modifications

10176. There were no new Modifications presented to the Panel.

7. In Flight Modification Updates

10177. PM 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/industry-information/codes/connection-and-use-system-code-cusc-old/meetings/cusc-panel-meeting-24>

10178. PM provided an update on the dates when the Workgroup Reports and Draft Final Modification Reports for each of the Tranche 1 Modifications would be presented to Panel. The Panel noted these dates.

[CMP332](#) *'Transmission Demand Residual bandings and allocation (TCR)'*

10179. Panel agreed to the withdrawal of CMP332 and noted that the ESO will raise a modification in May to replace this.

[CMP334](#) *'Transmission Demand Residual - consequential definition changes (TCR)'*

[CMP335](#) *'Transmission Demand Residual - Billing and consequential changes to CUSC Section 3 and 11 (TCR)'* and [CMP336](#) *'Transmission Demand Residual - Billing and consequential changes to CUSC Section 14 (TCR)'*

The Authority granted urgency for CMP334, CMP335 and CMP336; however, urgency status is no longer required for these modifications. Panel agreed that these Modifications no longer need to follow an Urgent timeline; however, Panel also asked for a communication from Ofgem confirming that Ofgem are happy for these Modifications not to be progressed on an Urgent timeline. **ACTION**

[CMP317 & CMP327](#) *'Removing Generator Residual and excluding assets required for connection'*

10180. GM advised the Panel that there were concerns raised about Ofgem's response to questions around BSC charges and their relationship to the Limiting Range (838/2010). GM stated that this has also been raised at the CMP317&CMP327 Workgroup, and the Workgroup felt it prudent to raise at the Panel.

10181. GM re-iterated the Workgroup's concern that that Ofgem have given their opinion without providing any reasoning. GM stated that the CMP317&CMP327 Chair has written to Ofgem seeking further information. NH reiterated Ofgem's position on this and advised there will be no further guidance on this, as Ofgem feel that they have provided sufficient information to the Workgroup and do not wish to prejudice any future decision they will make on this

Modification (*Post meeting note: Ofgem on 29 April 2020 have since provided clarification on this matter to the CMP317/327 Workgroup confirming they would not be providing additional guidance to CMP317/327 regarding P396 and that they will continue to remain independent during this industry-led process*).

10182. The Panel agreed to review the progression of this at the May Panel.

CMP337 & CMP338 '*Impact of DNO Contributions on Actual Project Costs and Expansion Factors*' & *New Definition of Cost Adjustment*'

10183. PM advised the Panel that a Special CUSC Panel will need to be held in May for the Panel to agree that the Workgroup has met its Terms of Reference and can proceed to Code Administrator Consultation. GG asked if this can be agreed via circulation rather than hold a Special CUSC Panel. PM agreed to confirm **ACTION** (*Post meeting note – On 28 April 2020, PM confirmed to Panel there is nothing preventing this; however, PM also expressed preference for a meeting as discussion all in one place*)

10184. LW will circulate a meeting invite to Panel (if required). **ACTION** (*Post meeting note – CMP337&338 Workgroup consultation published on 30 April 2020, closes at 9am on 11 May. A Special CUSC Panel has been scheduled for 20 May 2020*).

8. Discussions on Prioritisation

10185. The CUSC Panel reviewed the prioritisation stack and gave careful consideration to the current placing of modifications in the three tranches, in the light of the changes with the current TCR-related modifications. 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/industry-information/codes/connection-and-use-system-code-cusc-old/meetings/cusc-panel-meeting-24>

10186. Although there were no movements in the prioritisation stack, the CUSC Panel discussed, the modifications that are within Tranche 3 of the prioritisation stack. PM advised that the Code Administrator would be seeking to contact all Proposers with Modifications in Tranche 3 to ensure we are fully prepared for when Workgroups start or start again (in some cases) and agreed to prioritise these at CUSC Panel on 29 May 2020. PM stated that it would be useful to understand Panel's views on these Modifications to help Code Administrator have the right conversations. Panel agreed to prioritise these Modifications at CUSC Panel on 29 May 2020.

- Panel noted that CMP288/289 was well developed (Workgroup Consultation has been run) and would only need ~ 2 Workgroups before the Workgroup Report could be presented to Panel;
- The Panel concluded that CMP315 '*TNUoS: Review of the expansion constant and the elements of the transmission system charged for*' needs input from the Transmission Owner before any further work can be done with this modification. PM agreed to contact Transmission Owner representative prior to May Panel to confirm **ACTION**; and
- AP took an action to confirm which modification should be prioritised first either, CMP330 '*Allowing new Transmission Connected parties to build Connection Assets*'

greater than 2km in length’ or [CMP331](#) ‘Option to replace generic Annual Load Factors (ALFs) with site specific ALFs’ **ACTION.**

10187. PJ stated that the BSUoS Task Force has been put on hold due to resourcing so wants to ensure that the modifications in Tranche 3 aren’t accelerated, whilst the Task Force is on hold. PM confirmed that this isn’t a case of prioritising over the task force, PM wants to ensure that there is a plan in place for when these modifications are worked on again.
10188. JW also stated the Ofgem will not want to make a decision on the [CMP308](#) ‘Removal of BSUoS charges from Generation’ until the Task Force has concluded. NH confirmed JW’s view.

9. Workgroup Reports

10189. There were no Workgroup reports presented to the CUSC Panel.

10. Draft Final Modification Reports

[CMP323 ‘- Updating the CUSC section 4 “Balancing Services” to ensure Ofgem have the appropriate authority to approve Ts and Cs, relevant to EBGL Article 18, held within the SCTs’](#)

10190. PM delivered a presentation on CMP323. PM stated that, CMP323 was raised by National Grid ESO and was submitted to the CUSC Panel for their consideration in September 2019. The CUSC Panel concluded that they were unable to determine the governance route for this Modification and requested that the Proposer provide further clarity and re-present at the October CUSC Panel;
10191. On 25 October 2019, CMP323 was re-presented to the Panel. The Panel, by majority, agreed that the Modification should proceed to Code Administrator Consultation but agreed to delay this until the related BSC and Grid Code Modification Workgroups had been held to ensure there is process alignment across the Codes and the legal text has been agreed.
10192. Following approval from February Grid Code Review Panel that [GC0132](#) ‘Updating the Grid Code governance process to ensure we capture EBGL change process for Article 18 Terms and Conditions (T&Cs)’ had met its Terms of Reference, CMP323 Code Administrator Consultation was issued 18 March and closed 5pm on 8 April 2020.
10193. PM advised the Panel that two responses were received to the Code Administrator Consultation. Both respondents believed that the Original better facilitated the CUSC Objectives (specifically Applicable CUSC Objectives (c) and (d) than the Baseline.
10194. One respondent challenged the legal status of [Ofgem’s 8 October 2019 decision letter](#) and added that they are yet to receive response on the questions they posed to Ofgem and National Grid ESO in early November 2019. The same respondent also believes that changes to the CUSC approved / implemented after 4 August 2019 (up to and including 25 June 2020) will, if they concern parts of the CUSC listed in Annex 1 of the 4 August 2019 letter, need to be subject to the EBGL change process in order to have legal effect in GB. PM also noted that there were no proposed changes to the legal text.
10195. The Panel discussed the respondent’s concern re: the legal status and then voted. Panel recommended by majority that the Original was better than Baseline. The Final Modification

Report is to be sent to Ofgem on 6 May 2020. (*post meeting note - this was submitted on 6 May*)

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

10196. JW advised the Panel that TCMF was held on 2 April 2020. The TCMF presentation slides and minutes can be found using the following link:

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

The next TCMF meeting will be held on 7 May 2020.

Joint European Stakeholder Group (JESG)

10197. GG advised the Panel that the JESG meeting was held on 14 April 2020. The JESG meeting materials can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/grid-code-old/meetings/jesg-meeting-14-april-2020>

The next JESG meeting will be held on 12 May 2020.

Governance Standing Group

10198. No further updates.

EU Codes

10199. NH advised the Panel that Code Administrators should consider if any Codes need to be updated as a result of Brexit. PM noted that Code Admin have an open action on this (Action 119) and will be providing an update on this at June's Panel.

12. Update on Other Industry Codes

10200. PM highlighted that a modification will be raised by NGENSO at the SQSS Panel on 27 April 2020.

10201. PM stated that this modification is in relation to the 9 August 2019 power outage. (*post meeting note – The SQSS Panel recommended that a Workgroup should be formed for [GSR027](#) 'Review of the NETS SQSS Criteria for Frequency Control that drive reserve, response and inertia holding on the GB electricity system' The Workgroup nomination period has opened and closes on 21 May 2020, 1st Workgroup is scheduled for 2 June 2020*).

13. Relevant Interruptions Claim Report

10202. PM advised the Panel that the Relevant Interruptions Claim report is produced by the Connections Team and if Panel members have any further queries on this report they should contact the Connections Team.

10203. GG queried claim 69 on the report. PM took an action to confirm the status of this claim. **ACTION** (*Post Meeting Note: On 28 April 2020, PM confirmed to Panel that Claim 69 was rejected and the details are on the January Report (covering the period 1 April 2019 to 31 December 2019)*)

14. Governance

10204. No further updates for the Panel.

15. Horizon Scan

10205. The next Horizon scan update will be presented at the May Panel meeting.

16. CACoP Update

10206. The next CACoP update will be provided at the June Panel meeting.

17. Forward Plan Update

Stage gate documentation

10207. PM provided an update on the stage gate documentation. PM advised the Panel that the new template for Workgroup consultation, Workgroup Report and Code Administrator Consultation have now been rolled out. Templates for the Draft Final Modification Report and Final Modification Report will be rolled out soon with CMP333 being the Modification that these templates will be trialled against.

10208. GG noted that the timings to read the Workgroup Report or the Workgroup Report with Annexes need to be linked with number of words within the document. PM advised that this will be feedback to the team to consider. **ACTION**

Critical Friend

10209. PM advised the Panel that only 3 CUSC Modifications have been raised between 1 February 2020 and 16 April 2020 and general areas of feedback are:

- Proposed simplification of the language;
- Continue to seek definition of acronyms and not assume the reader has a prior understanding of the proposed change;
- Continue to propose changes to the title so clear what the Modification is seeking to achieve; and
- Implementation timescales need to be clearer to allow informed decision on prioritisation.

10210. PM noted that Code Admin review the process and checks on a monthly basis and have held workshops internally on a monthly basis to ensure team are confident in this process.

10211. The Chair confirmed she was happy with the direction of travel.

10212. The next Critical Friend update will be provided at the July Panel.

18. AOB

Consultation Timescales during current Coronavirus outbreak

10213. The Panel held a discussion around consultation timescales during the coronavirus outbreak. PM confirmed that Code Admin would consider extending consultation timescales in this period as long as ongoing milestones are not impacted. The Panel supported this approach.

ESO Code Administrator performance

10214. PM advised the Panel that [Ofgem's Call for Evidence on ESO](#) performance over the 2019-20 regulatory period is open. The Code Administrator Performance is also covered by this and feedback is welcomed.

10215. PM noted that key highlights for the ESO Code Administrator are:

- Relaunch of the Code Administrator website
- Redevelopment of our consultation documents
- Introduction of proposal summaries and executive summaries

Ofgem's announcement of 15 April 2020 regarding Intergeren

10216. GG advised the Panel that Ofgem [published](#) an announcement regarding Intergeren . GG stated that Ofgem highlighted in its announcement that the £12.8M restitution will be paid to affected market participants "via the BSUoS charge" and was keen to understand how this would be paid. JW advised that details on this are still being looked at and will provide the Panel with an update at the next meeting. **ACTION**

10217. GG questioned if a CUSC Modification would need to be raised as a result of this. JW advised that further discussions with Ofgem on understanding the process need to be held before knowing this.

ENCC Webinars

10218. GG stated that it would be useful to understand what changes National Grid ESO are planning to make to commercial arrangements as a result of the blockers identified at the ENCC Webinars. JW advised that no changes are happening right now, but if there are, these will be raised through the usual governance routes and the Panel will be advised.

Thank-you and Goodbye

10219. TM advised the Panel that Chrissie Brown (CB) from the Code Admin team has secured a new role in the Offshore Coordination Team, within NGESO and will be leaving the team officially in June. TM and the Panel thanked CB for her hard work and outstanding support to the Panel over the past few years. The Panel noted that CB will be greatly missed and wished CB the best of luck in her new role.

CUSC Panel Agenda – 29 May 2020

10220. PM advised the next Panel will be held on 29 May 2020. PM stated that there are three potential CUSC modifications, up to 5 Workgroup Reports and 2 Draft Final Modification Reports being raised at May's Panel and put forward to move some standing agenda items until the June Panel to enable a more efficient meeting. The Panel were in agreement with this approach.

10221. PJ questioned the importance of the modification that ESO were raising, as this will be a simple change to the CUSC so could it be raised at a later Panel. JW confirmed that ESO are raising this as a Self- Governance modification, therefore don't foresee this slowing any other modification down or taking up too much of industry's time.

The next CUSC Panel meeting will be held on Friday 29 May 2020 via WebEx.

