

Headline Report – 29 October 2021

Connection and Use of System Code (CUSC) Panel

The CUSC Panel Headline Report is produced after every CUSC Panel and aims to provide an overview of the key decisions made. Minutes for this meeting will be published separately.

Approval of Panel Minutes

The meeting minutes from the CUSC Panel on 14 and 24 September 2021 were approved at the CUSC Panel meeting on 29 October 2021. These will be uploaded to our website.

Prioritisation Stack

For each Modification in the prioritisation stack, Panel have determined if the Priority is “High”, “Medium to High”, “Medium”, “Low to “Medium” or Low”. Panel continue to review the prioritisation stack on a monthly basis and every quarter hold a more in-depth review (ahead of this review, Proposers will be asked to provide updated justification against the prioritisation criteria). This in-depth review was carried out at our October 2021 Panel.

At October 2021 Panel, the CUSC Panel discussed the prioritisation of the following Modifications:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
CMP286/287	Improving TNUoS Predictability Through Increased Notice of: The Target Revenue used in the TNUoS Tariff Setting Process (CMP286); and Inputs Used in the TNUoS Tariff Setting Process (CMP287)	Proposer sought re-prioritisation of this Modification at October 2021 Panel and Panel agreed to move the priority from Low to Medium as there is now clear drive from the Proposer and the lower risk premiums (that Suppliers will include) will benefit consumers.	“Low” to “Medium”
CMP315 and CMP375	TNUoS: Review of the expansion constant and the elements of the transmission system charged for (CMP315) Enduring Expansion Constant & Expansion Factor Review (CMP375)	A Panel Member proposed moving the priority from “High” to “Medium” on the basis that this may be better progressed as part of a broader review of TNUoS and Ofgem have launched a Call for Evidence on this (1 October 2021 to 12 November 2021). Other Panel Members, noted that as this is just at the Call for Evidence stage, it would be more	

		appropriate to revisit priority at January 2022 Panel. However, Panel did agree that this does not need to be progressed at current pace but the pace needs to be in line with that for other “High” priority Modifications	
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For those Modifications prioritised as “Low”, Code Admin proposed to have further engagement with the impacted Proposers and get clarity on numbers and content of Workgroups anticipated, then build an indicative timeline and then see how these can be fitted into the current schedule. Panel welcomed this.

The full discussions on each Modification can be found [here](#).

New Modifications

No new Modification Proposals were presented for consideration.

New / Pending Authority Decisions

Ofgem provided an update on Modifications that are currently awaiting their decision or have been decided upon since CUSC Panel on 24 September 2021:

Modification	What this does	Decision Date
CMP378	Seeks to place an obligation on The Company (defined in the CUSC as National Grid Electricity System Operator (NGESO) Limited) to comply with the obligations insofar as these apply to it under Section C12 (Market-wide Half-Hourly Settlement Implementation) of the Balancing and Settlement Code (BSC).	Decision received 12 October 2021 approving the CMP378 Original – implemented 15 October 2021.

Awaiting Decisions

Ofgem did provide an update at Panel on the Modifications awaiting decision. However, since 4 May 2021 Ofgem have published a table that provides the expected decision date, or date they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision. This was last updated on 15 October 2021 and is published [here](#). The CUSC position is summarised below:

Modification	What this seeks to achieve	Expected Decision Date
CMP335/336 and CMP343/340	Proposes the methodology for Transmission Demand Residual charges to be applied only to ‘Final Demand’ on a ‘Site’ basis, as well as how to treat negative locational	Expected final decision date for CMP343, CMP340, CMP335 and CMP336 Modifications was 27 August 2021; however Ofgem confirmed at CUSC Panel on 27 August 2021 that this date would not be met.

	charges and the application of any charging bands.; CMP335/336 looks at the Transmission Demand Residual billing and consequential changes	At CUSC Panel on 29 October 2021, Ofgem confirmed they have no firm date for a decision.
CMP292	Introduces a cut-off date for changes to the Charging Methodologies	TBC in 2021 (previously 30 June 2021 and latterly 30 September 2021) as Ofgem consider this to be low priority.
CMP371	Seeks to update CUSC Section 8 such that it is possible, under one CUSC Modification Proposal, to change CUSC provisions relating to Connection Charges, and Use of System Charging Methodologies alongside non-charging provision	19 November 2021.
CMP308	Seeks to modify the CUSC to better align GB market arrangements with those prevalent within other EU member states by removing BSUoS charges from Generation.	At CUSC Panel on 29 October 2021, Ofgem advised that they intend to consult of a minded-to position but cannot confirm yet when this will be issued.
CMP368/369	CMP368 seeks to give effect to the Authority determination within the CMP317/327 decision published on the 17 December 2020 to amend the definition of Assets Required for Connection, create new definitions of 'GB Generation Output' and define Generator charges for use in the Limiting Regulation range calculation. To facilitate the change, CMP369 proposes to update the legal text relating to 'Generation Output' detailed in the tariff setting methodology within Section 14.14.5 and the Ex-Post Reconciliation within Section 14.17.37 of the CUSC to align with the updated definitions introduced by CMP368.	Final Modification Report was sent to Ofgem 23 September 2021 seeking decision on or before 28 October 2021. At CUSC Panel on 29 October 2021, Ofgem noted that their decision will follow the outcome of the current judicial review re: the CMA's decision of 30 March 2021 to dismiss the appeal against decisions by Ofgem on CMP317/327.
CMP377	Seeks to provide clarity on how the BSUoS charging methodology is described in Section 14 of the CUSC. The four areas being addressed are: Covid-19 cost recovery calculations, capitalisation of defined terms in CMP373 legal text, clarifying storage import terminology and general housekeeping.	Final Modification Report was sent to Ofgem 6 October 2021 but no decision date has yet to be confirmed.

In flight Modifications

Please refer to latest Modification Tracker for an update on each in flight Modification. This is published monthly at <https://www.nationalgrideso.com/industry-information/codes> and will be published on 7th of the following month or the next working day thereafter.

Draft Final Modification Reports

CMP328 ‘Connections Triggering Distribution Impact Assessment’

CMP328 proposes to put in place an appropriate process to be utilised when any connection triggers a Distribution impact assessment.

At October 2021 Panel, the CUSC Panel by majority recommended that the CMP328 Original, WACM1 and WACM2 better facilitated the CUSC objectives than the current CUSC. CUSC Panel expressed a preference for the CMP328 Original Proposal (6 out of 8 votes). The Final Modification Report will be sent to Ofgem on 10 November 2021.

CMP328 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp328-connections>

Workgroup Reports

No Workgroup Reports presented to Panel this month.

Questions or feedback?

Code Administrator Representative: Paul Mullen, *Code Administrator*

Panel Secretary: Ren Walker, *Code Administrator*

Email: cusc.team@nationalgrideso.com
