

Headline Report – 29 April 2022

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 25 March 2022 (as well as the minutes from CUSC Panel on 29 April 2022) will be presented for approval at the CUSC Panel on 27 May 2022.

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 next in-depth review was planned to be carried out at our April 2022 Panel. However, it was felt prudent to delay this as still unclear on scope of the TNUoS Taskforces and no updated justification was provided by Proposers ahead of this meeting.

At April 2022 Panel, the CUSC Panel discussed the prioritisation of the following Modifications:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
CMP331		Panel on 29 April 2022 agreed for the priority to move from "Low" to "Low to Medium" on the basis that this has become more pressing for potential new connectees.	Low to Medium (formerly Low)

The latest prioritisation stack can be found [here](#).

New Modifications

3 new Modifications were presented to Panel this month.

CMP388 ‘Transmission Demand Residual (TDR) minor clarifications’

Ofgem’s recent decisions on CUSC modifications CMP335/336 and CMP340/343 contained several small changes/clarifications that would be beneficial in addition to some identified by the ESO. This proposal seeks to implement these clarifications.

Panel agreed that **CMP388** should follow standard governance route and proceed to Code Administrator Consultation. Code Administrator Consultation will be issued on 6 May 2022.

CMP388 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp388>

CMP389 ‘Transmission Demand Residual (TDR) band boundaries updates’

This modification aims to implement changes related to band boundaries as stated in paragraph 3.12 of Ofgem’s recent decision on CUSC modification CMP343.

Panel agreed that **CMP389** should follow standard governance route and proceed to Code Administrator Consultation. Code Administrator Consultation to be run from 13 May 2022 (to allow time for the ESO first to further engage with directly impacted parties) to 5pm on 8 June 2022.

CMP389 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp389>

CMP390 ‘Updating application forms to enable disclosure of information to government for purposes of the National Security and Investment (NSI) Act 2021’

The National Security and Investment (NSI) Act 2021 enables Government to scrutinise the acquisition of rights in entities and assets and intervene where there is a risk to national security. This modification seeks to amend the CUSC application forms to recognise and provide consent to ESO sharing information about the applicant with Government enabling BEIS to carry out any initial national security checks in line with the NSI Act and identify any issues at an early opportunity.

Panel agreed that **CMP390** should follow standard governance route and proceed to Code Administrator Consultation. Code Administrator Consultation will be issued on 6 May 2022.

CMP390 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp390-updating>

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 25 March 2022.

Decisions since last CUSC Panel

Modification	What this seeks to achieve	Decision
CMP383	To enable the ESO to recover the costs deferred under CMP381, a licence change is required. This will not be in place for 1 April 2022. Therefore, CMP383 seeks to change the recovery of CMP381 costs, to when the new licence comes into effect until 31 March 2023.	Ofgem decision approving the Original proposal received on 25 March 2022. Will be implemented 3 May 2022.
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.	Ofgem decision approving the Original proposal received on 31 March 2022 and this was implemented 14 April 2022.
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.	Ofgem decision received on 25 April 2022, approving the CMP308 Original. Implementation Date is 1 April 2023.

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 7 April 2022 and is published [here](#). The CUSC position is summarised below:

Modification	What this seeks to achieve	Expected Decision Date
CMP292	Introduces a cut-off date for changes to the Charging Methodologies	Expected decision date of TBC in 2022 (previously 30 June 2021 and latterly 30

		September 2021) as Ofgem still 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.	Ofgem expected decision date is still 3 May 2022 as confirmed at Panel on 29 April 2022.
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.	Ofgem at Panel on 29 April 2022 advised that on 11 April 2022, the outcome of the Judicial Review re: the CMA's decision of 30 March 2021 to dismiss the appeal against decisions by Ofgem on CMP317/327 was published and Ofgem are currently reviewing next steps. They indicated that a decision on CMP368/CMP369 would be issued ~ mid May 2022.
CMP328	Seeks to put in place an appropriate process to be utilised when any connection triggers a Distribution impact assessment.	Final Modification Report was sent to Ofgem on 10 November 2021 and Ofgem confirmed at November 2021 Panel that no decision would be made on this until they have received the equivalent STC Modification (Code Administrator Consultation to be run from 28 April to 20 May 2022). Ofgem's latest expected decision dates table (published on 7 April 2022) confirms that there is currently no firm date for a decision.
CMP300	Seeks to improve the cost reflectivity of the Response Energy Payment ("REP") for Balancing Mechanism Units ("BMUs") with low or negative marginal costs, as a consequence of having a Contract for Difference ("CfD")	Ofgem, at Panel on 29 April 2022, confirmed they are seeking to make a decision on 13 May 2022.
CMP361/CMP362	To introduce an ex-ante fixed volumetric BSUoS tariff set over a total fix and notice period of 14 months. This tariff would be split with a different price for the summer and winter periods. This	Final Modification Report was sent to Ofgem on 8 March 2022. Ofgem's latest expected decision dates table (as at 7 April 2022) indicates a decision date of 24 June 2022.

	will deliver the recommendations of the Second BSUoS Task Force Modification (CMP361) and to facilitate the implementation of BSUoS Reform by introducing and updating required definitions into CUSC section 11 from CMP308 and CMP361 (CMP362)	
CMP298	The current Statement of Works process can be inefficient and time-consuming where there are concurrent multiple applications. Network Operators have for a number of years trialed and refined a more efficient aggregated assessment (widely known as the “Appendix G” process) of Distributed Generators (DG) that have or may have an impact on the National Electricity Transmission System (NETS). CMP298 seeks to introduce this process into the CUSC, which will sit alongside the current Statement of Works process.	Final Modification Report was issued to Ofgem 6 April 2022. No anticipated decision date confirmed at Panel on 29 April 2022.

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

No Draft Final Modification Reports presented to Panel this month

Workgroup Reports

No Workgroup Reports presented to Panel this month.

Questions or feedback?

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