

## CUSC Panel Minutes: 26 November 2021

### CUSC Panel Minutes: Meeting Number 287

**Date:** 26/11/2021      **Location:** Microsoft Teams

**Start:** 10:00am      **End:** 1:00pm

### 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
Jennifer Doherty	JD	National Grid Electricity System Operator
Paul Jones	PJ	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Andy Pace	AP	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joseph Dunn	JD	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
Andrew Enzor	AE	Users' Panel Member
Mark Duffield	MD	Users' Panel Member
Jeremy Caplin	JC	BSC Representative (Observer)
Jennifer Groome	JG	Code Administrator, National Grid Electricity System Operator (Presenter)

Ian Ascroft	IA	Code Administrator, National Grid Electricity System Operator (Presenter)
Sally Musaka	SM	Code Administrator, National Grid Electricity System Operator - Observer
<b>Apologies</b>	<b>Initials</b>	<b>Company</b>
Joseph Dunn	JD	Users Panel Member

## 1. Introductions and Apologies for Absence

11147. Apologies were received from Joe Dunn. TM advised the Panel that Jon Wisdom has undertaken a new role within National Grid ESO and therefore will no longer be attending the CUSC Panel. TM confirmed that Jennifer Doherty and Grahame Neale (as Alternate to Jennifer Doherty) will be the ESO representatives going forward. Panel Members expressed their thanks to Jon Wisdom for his work on the Panel. TM reminded the Panel of their positions as Panel members and not as representatives of their company, as, for example, Proposers or Workgroup Members, and the continued importance of recognising and articulating actual or perceived conflicts of interest. JD declared an interest, as Proposer, in relation to the item on CMP361/CMP362.

## 2. Approval of minutes from previous meetings

11148. The meeting minutes from the CUSC Panel on 29 October 2021 were approved by the Panel.

## 3. Action log

11149. The CUSC Panel reviewed the open actions from the meeting held on 29 October 2021, which can be found on the Actions Log.

## 4. Chair update

11150. The Chair had no updates for the Panel.

## 5. Authority decisions

11151. NH confirmed that no decisions on CUSC Modifications have been made since the Panel held on 29 October 2021.

### Awaiting Decisions

11152. NH provided an update at the Panel on Modifications awaiting decisions. The summary table below sets out which Modifications are with the Authority for decision, together with the expected decision date:

Modification	What this seeks to achieve	Expected Decision Date
<b>CMP335/336 and CMP343/340</b>	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 26 November 2021, Ofgem confirmed they have no firm date for a decision.
<b>CMP292</b>	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.
<b>CMP371</b>	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 decision was anticipated 29 September 2021 and then 19 November 2021; however, this date has now passed and we are seeking clarity from Ofgem on new anticipated decision date. No update on new anticipated decision date provided at November 2021 Panel.
<b>CMP308</b>	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. Ofgem reaffirmed this at CUSC Panel on 26 November 2021 but added that it will be issued "soon".
<b>CMP368/369</b>	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.	On 24 November 2021, Ofgem sent a letter (which was sent to Panel Members, industry and published on 25 November 2021). This formally confirms that Ofgem intend to wait until judgment has been issued in the Judicial Review before reaching a decision in respect of CMP368 and CMP369, even if judgment is not available before the end of the calendar year.
<b>CMP377</b>	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. No update on anticipated decision date provided at November 2021 Panel.
<b>CMP328</b>	Seeks to put in place an appropriate process to be utilised when any connection triggers a Distribution impact assessment.	The Final Modification Report was sent to Ofgem on 10 November 2021 and Ofgem confirmed at November 2021 Panel that no decision would made on this until they have received the equivalent STC Modification.

11153. NH advised the Panel that Ofgem's publishing moratorium dates will be held from 2pm on 16 December 2021 to 9am on 4 January 2022; however, he stated that if there is a legal requirement for Ofgem to publish then this will be done but was not expecting any decisions to be made on CUSC Modifications in the moratorium period. NH also noted that, if Ofgem do publish the minded-to decision consultation on CMP308, the expiry date of the consultation will take into account the moratorium period.
11154. GM questioned if the Ofgem published anticipated decision dates table will be updated soon as some of the pending decisions are still saying they are due in 2021. NH stated that they expect to update this before Christmas.
11155. BD asked if the consultation responses following Ofgem's minded to decision consultation on CMP343 could be published ahead of Ofgem's decision. NH agreed to confirm **ACTION** (*Post Meeting Note: NH has confirmed these will be published at the same time as Ofgem's decision on CMP343*)

## 6. New modifications

### CMP380 'Making the CUSC Gender Neutral'

11156. PM delivered a presentation on CMP380 to the CUSC Panel. PM advised that this modification seeks to remove any gender specific references or terminology within the CUSC. PM noted that the Code Administrator has also raised Grid Code modification GC0145 'Making the Grid Code Gender Neutral' to ensure consistency within the Codes. PM confirmed that the equivalent STC and SQSS modifications will be raised in January 2022.
11157. Some Panel members questioned the proposed legal text changes introduced by CMP380. One Panel member questioned if the term 'Chair' should be amended to 'Chairperson' to be consistent with the language used in the Standard Condition C10 2(f) of the Transmission Licence. Another Panel member asked whether changing "He/She" to "They" removes a singular obligation which arguably could create confusion as to whom the obligation is on. PM agreed to clarify the points raised by Panel (*Post Meeting Note: PM sought clarification on the legal text and confirmed to Panel on 29 November 2021 that 'Chair' would be replaced with 'Chairperson' to align with the Standard Condition C10 2(f). However, CUSC 11.2.6 (e) already acknowledges that references to singular include the plural and vice versa, so would look at any reference to 'they' as having the meaning in the context required. The Code Administrator Consultation was published on 3 December 2021*).
11158. The CUSC Panel unanimously agreed that CMP380 should follow the self-governance route and proceed to Code Administrator Consultation subject to consideration of amendments to the legal text proposed by Panel Members. (*Post Meeting Note: PM sought clarification on the legal text and made the following changes 'Chair' was replaced with 'Chairperson' to align with the Standard Condition C10 2(f). However, CUSC 11.2.6 (e) already acknowledges that references to singular include the plural and vice versa, so would look at any reference to 'they' as having the meaning in the context required. The Code Administrator Consultation was published on 3 December 2021*).

## 7. In Flight Modification Updates

11159. 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:

11160. <https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/meetings/cusc-panel-meeting-9>

11161. PM also presented the latest rolling 12-month cross code view of all the Workgroups currently planned in and when Workgroup Reports and Draft Final Modification Reports are planned to be presented to Panel, and a view of modifications that are likely to be raised in the same period.

### [CMP298 'Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation'](#)

11162. PM advised the Panel that at October 2021 Panel, Panel agreed to a delay to December 2021 for the Workgroup Report to be presented. However, before presenting the final Workgroup Report to Panel, the Workgroup need to satisfy themselves that the associated changes to the STC do not impact the CMP298 solution(s). PM advised the Panel that the Proposer has been unable to obtain views of some of the Transmission Owners but stated that this will be done no later than 15 December 2021 at the STC Panel. At the 24 November 2021 Workgroup Meeting, the alternative vote took place and a plan to finalise the Workgroup Report has been agreed - a final Workgroup Meeting (to hold the Workgroup Vote and ensure the Workgroup have assurances that the STC changes do not impact the CMP298 solution(s)) will be held on 14 January 2022, ahead of the Workgroup Report being presented to January 2022 Panel. The CUSC Panel agreed to a new timeline on this basis.

11163. PM also advised the Panel that timelines for the following modifications will be presented to Panel next month for approval:

- [CMP304 'Improving the Enhanced Reactive Power Service by making it fit for purpose'](#)
- [CMP315 'TNUoS Review of the expansion constant and the elements of the transmission system charged for'](#) and [CMP375 'Enduring Expansion Constant & Expansion Factor Review'](#)
- [CMP376 'Inclusion of Queue Management process within the CUSC'](#)

### [CMP300 'Cost reflective Response Energy Payment for Generators with low or negative marginal costs'](#)

11164. PM advised the Panel that the Workgroup met on the 8 November 2021 to discuss how to address the Terms of Reference agreed by Panel and to address Ofgem's send-back. PM stated that further analysis (using published Future Energy Scenarios) is needed to assess whether or not any future CfD Balancing Mechanism Units are likely to come online in the future. The next Workgroup has been scheduled for 25 November 2021 ahead of presenting Workgroup's conclusions to December 2021 Panel.

### [CMP358 & CMP359 'Implementation of the Small Generation Discount into the CUSC & Definition changes for CMP358'](#)

11165. PM stated that the Proposer of CMP358 & CMP359 notified the Code Administrator on 2 November 2021 that they no longer wish to be Proposer of these modifications. Industry

were notified on 2 November 2021 and had until 5pm on 10 November 2021 to express their wish to become the new Proposer. As no-one expressed a wish to become the new Proposer by 5pm on 10 November 2021. The CUSC Panel, under governance rule, 8.16.10(b), agreed to the withdrawal of CMP358 and CMP359.

## 8. Discussions on Prioritisation

11166. The Panel reviewed the Prioritisation Stack but had no further amendments to make. This 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-9>

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

## 9. Workgroup Reports

[CMP361 & CMP362 'BSUoS Reform: Introduction of an ex ante fixed BSUoS tariff \(CMP361\) and Consequential Definition Updates \(CMP362\)](#)

11167. JG, the Chair of the CMP361 & CMP362 Workgroup attended the CUSC Panel to deliver a presentation on CMP361 & CMP362. JG advised that CMP361 seeks to introduce an ex ante fixed volumetric BSUoS tariff set over a total fixed and notice period of 15 months. This will deliver the recommendations of the Second BSUoS Task Force, and CMP362 seeks to facilitate the implementation of BSUoS Reform by introducing and updating required definitions into CUSC section 11 from CMP308 and CMP361. The proposed implementation date for these modifications is 1 April 2023.

11168. JG stated that the Workgroup Consultation was held between 1 September – 24 September 2021 and received 16 non-confidential responses and 1 confidential response. Most respondents were supportive of the proposal and/or some of the alternatives. JG stated that the following themes were raised through the Workgroup consultation:

- **Implementation timescales:** Some respondents voiced that industry needs sufficient time to factor in the change before it's implemented. Some Workgroup members highlighted that a longer notice period would provide more certainty of future tariffs and more accurate charges for customers.
- **Residual Cashflow Reallocation Cashflow issues:** One respondent believed that any RCRC issues should be addressed now. The Workgroup discussed this further and agreed that RCRC is material to BSUoS and therefore would need to be aligned with the reformed BSUoS. It was also noted that only liable Parties would be involved with this.
- **BSUoS Fund:** Some consultation respondents were supportive of more exploration of options without a BSUoS Fund. The Workgroup questioned if all cost options had been fully explored.
- **BSUoS Fund collection time:** There was some support for the BSUoS Fund being built up over two financial years. There was also some support for it to be built up over more than two years, e.g. five.
- **Length of notice and fixed Periods:** Mixed views. The Workgroup noted that respondents gave more support for a longer notice period, than the Original solution.

- **Probability of tariff reset:** Respondents had mixed views on what the appropriate probability level would be, with P99 being the most popular.
- **Respondents were supportive of CMP362.** Workgroup members noted that CMP361 provides the benefits and CMP362 makes it happen, so the modifications do not work if they are not both implemented together.

11169. JG confirmed that 7 Workgroup Alternative CUSC Modifications (WACMs) were brought forward by the Workgroup for CMP361 and 6 WACMs were brought forward for CMP362. The option which has a BSUoS Fund collected over 5 years uses the Original CMP362 solution.
11170. The Workgroup vote took place on 3 November 2021 (CMP361) and 10 November 2021 (CMP362). For CMP361, the Workgroup concluded unanimously that the Original and WACM2 better facilitated the Applicable Objectives than the Baseline, and by majority concluded that WACMs 1, 3, 4, 5, 6 and 7 better facilitated the Applicable Objectives than the Baseline. For CMP362, the Workgroup concluded unanimously that the Original and WACMs 1, 2, 5 and 6 better facilitated the Applicable Objectives than the Baseline, and by majority concluded that WACMs 3 and 4 better facilitated the Applicable Objectives than the Baseline.
11171. BD questioned where in the Workgroup report the consideration of non-payment options has been addressed. JD (acting in the capacity of the Proposer and not Panel member) stated that this is covered in the report but that she would check this and add additional wording to the report to make it clear. JD noted that CMP361/CMP362 also has implications on the BSC and a modifications is already in progress. ***(Post Meeting Note: Additional text was added to the Workgroup Report).***
11172. The Panel unanimously agreed that the CMP361/CMP362 Workgroup have met their Terms of Reference. The Code Administrator Consultation will be issued on 3 December 2021 and will close 5pm on 7 January 2022. ***(Post Meeting Note: The Code Administrator Consultation was published on 3 December 2021).***

## 10. Draft Final Modification Reports

11173. No Draft Final Modification Reports were presented to the CUSC Panel.

## 11. Standing Groups

### Transmission Charging Methodology Forum (TCMF)

11173. JD advised the Panel that TCMF was held on 25 November 2021. The TCMF meeting papers can be found via the following link:

<https://www.nationalgrideso.com/document/212901/download>

The next TCMF meeting will be held on 6 January 2022.

### Joint European Stakeholder Group (JESG)

11174. GG advised that the JESG meeting was held on 9 November 2021. The meeting papers can be found via the following link:

<https://www.nationalgrideso.com/industry-information/codes/european-network-codes-old/meetings/jesg-meeting-9-november-2021>

## Governance Standing Group

11175. No further updates.

## EU Codes

11176. No further updates for the Panel.

### 12. Update on other Industry Codes

11177. No further updates for the Panel.

### 13. Relevant Interruptions Claim Report

11178. No further updates for the Panel.

### 14. Governance

11179. No further updates for the Panel.

### 15. Horizon Scan

11180. The Panel had no further comments on the Horizon Scan that was presented by PM.

### 16. Forward Plan Update

## Update on Code Administrator 2021/2022 Deliverables and ESO Customer Satisfaction Survey results

11181. JG presented Code Admin's latest update on progress against their 2021/2022 deliverables and noted specific areas of feedback for Code Admin that came out in the ESO Customer Satisfaction Survey results. There was positive feedback received from Panel Members on the progress that Code Admin have made especially considering the volume of work.

### 17. AOB

#### General Discussion on Covid-19

11182. The Chair confirmed that the Panel will hold the January 2022 Panel meeting in person subject to current government guidelines at the time.

#### CACoP Website

11183. JG provided an update on the CACoP website. JG stated that the CACoP Website is the new home of all information related to the CACoP. Industry will be able to find latest versions of all products in one central place, where previously these were stored across various code websites. Information on the new website includes:

- **The Code Administration Code of Practice** – the set of principles that the Code Administrators agree to uphold
- **The Central Modifications Register** – the consolidated record of all live industry code changes
- **The Horizon Scanner** – a forward look at what could impact our industry codes in the medium/long-term



- **CACoP issued guidance** – any information that we have published to support parties navigating our codes
- **[Industry codes meeting calendar](#)** - here you can access information about when meetings are happening across the industry, filter by individual codes, and navigate to individual meeting pages on specific code websites through integrated links. It includes meeting information for all 10 CACoP Codes.
- **The latest and historic versions of the CACoP Newsletter** – the quarterly publication that keeps interested parties updated on CACoP matters. By visiting the [CACoP Newsletter](#) page, you can sign up to receive direct notification from the CACoP Forum each time the latest newsletter is released.

11184. JG advised the Panel that if they had any queries or feedback on the website, they can contact the CACoP Forum Secretary through the form on the [Contact Us](#) page.

### Updated Voting Template

11185. IA attended the Panel to give an update on the new voting template. IA stated that following feedback received at the August 2021 Panel, the following amendments have been made to the template:

- Simpler interface in instances where there are Alternatives. These can now be displayed in a matrix to make it clearer what is being voted on; and
- Ability to review or edit voting submissions needed - Form responses can be navigated through and amended up until point of submission. A personal record of the completed Form can be downloaded once submitted. Code Admin will be able to edit or delete submissions by request

IA noted that there are alternatives to Microsoft Forms. However, these alternatives sit outside of the Microsoft products and would require further cost or significant development.

11186. Following Panel discussion, the Panel agreed that a few Panel members would first “user test” the voting template against a number of scenarios including Modifications with or without Alternatives. The Code Admin team will liaise with Panel members on this (***Post Meeting Note: PJ, CS and MD have all offered to be involved***). Subject to successful completion of these “user tests”, this would then be trialled in parallel in Workgroups and at the next Panel where a Draft Final Modification Report vote is taking place but would first start with a Modification without Workgroup Alternative CUSC Modifications. Before the “user test” can start, IA agreed to confirm the following points and update the voting template accordingly (**ACTION**):

- Can you save the voting template and then re-open to make amendments before submitting?
- Template needs to cover the scenario where a Panel member chooses to abstain from voting on some or all of the Original or Alternatives.
- Template needs to cover the scenario where no best option is picked and there should only be the facility to select one best option.

### CUSC Panel Dates - 2022

11187. PM advised the Panel of the meeting dates for 2022. LW confirmed that calendar invites will be sent accordingly (***Post Meeting Note: invites issued***).

**The next CUSC Panel meeting will be held on Friday 17 December 2021 via Microsoft Teams.**