

CUSC Panel Minutes

28 July 2023

CUSC Panel Minutes

Date: 28/07/2023	Location: Microsoft Teams
Start: 10:00 AM	End: 13:30 PM

Participants

Attendee	Initials	Representing
Jon Wisdom	JW	Acting Independent CUSC Panel Chair
Milly Lewis	ML	Panel Secretary, Code Administrator Representative
Shazia Akhtar	SA	Panel Technical Secretary, Code Administrator
Andy Pace	AP	Consumers' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Claire Huxley	CH	Alternate Panel Member, National Grid ESO
Garth Graham	GG	Users' Panel Member
Grace March	GM	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Mark Duffield	MD	Users' Panel Member Alternate
Nadir Hafeez	NH	Authority Representative

Apologies

Attendee	Initials	Representing
Andrew Enzor	AE	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
Joe Dunn	JD	Users' Panel Member
Karen Thompson-Lilley	KTL	Panel Member, National Grid ESO
Rashmi Radhakrishnan	RR	BSC Representative (Observer)
Trisha McAuley	TM	Independent Panel Chair

Presenters / Observers

Attendee	Initials	
James Cunningham	JC	Observer
Alice Taylor	AT	CMP415 and CMP416 Proposer - ESO
Alison Price	APr	CMP417 Proposer - ESO
Emily Watson	EW	CMP417 Connections SME - ESO
Niall Coyle	NC	CMP286 and CMP287 Proposer - EON Energy
Nicky White	NW	Observer, CMP286 and CMP287 ESO Rep - ESO
Stephen Dale	SD	Observer, CMP286 and CMP287 ESO Rep - ESO
Teri Puddefoot	TP	Presenter, CMP393 Workgroup Chair - Code Administrator
Deborah Spencer	DS	Presenter, CMP408 Technical Secretary - Code Administrator
Jonathan Whitaker	JWh	Observer, ESO - Code Administrator

1. Introductions and Apologies

11909. Apologies were received from Andrew Enzor, Cem Suleyman, Joe Dunn, Karen Thompson-Lilley, Rashmi Radhakrishnan and Trisha McAuley. No declarations of interest were noted.

2. Minutes from previous meetings

11910. The minutes from the CUSC Panel held on 30 June 2023 were approved.

3. Review of actions log

11911. Update Action **182** – ML advised that the Code Administrator have a house keeping review in early September, after which an update will be provided to Panel.

11912. Update Action **186** – ML advised that Sarah Carter the manager of the Code Administrator Team will be coming to the August Panel to provide an update on this.

11913. The Chair highlighted that as this coincided with the summer holidays it may be worth checking how many Panel members would be attending the August Panel and suggested moving it to a later date if required.

4. Chair's update

11914. The Chair explained that TM was still unwell and would not be chairing the August CUSC Panel meeting. The Chair stated that the Code Administrator will inform the Panel of who will be acting as the Chair for this meeting once it has been agreed.

5. Authority Decisions

11915. Ofgem provided an update on the Modifications that were currently awaiting a decision and stated that **CMP288** would be sent back as it needed to align with Ofgem's open letter on the Connections Reform Programme, which was published in April 2023.

Awaiting Decisions

Modification	What this seeks to achieve	Expected Decision Date
<u>CMP288</u>	Explicit charging arrangements for customer delays and backfeeds	31 July 2023
<u>CMP292</u>	Introduces a cut-off date for changes to the Charging Methodologies	25 August 2023
<u>CMP298</u>	Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation	29 September 2023
<u>CMP331</u>	Option to replace generic Annual Load Factors (ALFs) with site specific ALFs	18 August 2023
<u>CMP344</u>	Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology	29 September 2023
<u>CMP376</u>	Inclusion of Queue Management process within the CUSC	15 September 2023
<u>CMP398</u>	GC0156 Cost Recovery mechanism for CUSC Parties	06 October 2023
<u>CMP412</u>	CMP398 Consequential Charging Modification	06 October 2023

11916. Ofgem publish a table that provides expected decision dates, or dates that they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision. This was last updated on 05 July 2023 and is published [here](#).

6. New Modifications

CMP415: Amending the Fixed Price Period from 6 to 12 months &

CMP416: Amending the Fixed Price Period from 6 to 12months with two seasonal tariffs

11917. AT presented the modifications to the Panel and explained that these were consequential modifications which had been raised to allow the alternatives that were discussed within the **CMP408** Workgroup to be considered, since they had fallen outside of the **CMP408** Section 14 change. They are looking to amend the definition of the Fixed Price Period within Section 11 to either 6 to 12 months or 6 to 12 months with two seasonal tariffs. Both modifications are intrinsically linked to **CMP408** and can only be approved in conjunction with this. But this is only a one way dependency, and **CMP408** can be approved on its own.

11918. AT explained that CMP415 and CMP416 were substantially different to each other in terms of impacts on the ESO, Suppliers and end consumers and therefore should be considered as two separate modifications.

11919. AT stated that they had originally proposed that the modifications proceed straight to Code Administrator Consultation. However, after receiving some stakeholder feedback they are now proposing that the **CMP408** Workgroup reconvene to validate all the previous work carried out on these solutions, after which they should proceed to Code Administrator Consultation.

11920. The Panel raised concerns about **CMP415** and **CMP416** being raised as two separate modifications, when they were two different solutions to the same defect and Ofgem would only be able to approve one of the modifications. The Panel suggested that these should be raised as one modification with an alternate solution.

11921. AT explained that they have been raised as two separate modifications rather than one modification with a Workgroup Alternative CUSC Modification (WACM) to ensure that they are sent off to Ofgem in time for a decision in December 2023, so that they can be implemented in April 2024. The ESO have not requested urgency on the modifications, as they do not currently meet the urgency criteria however, this may change as they get closer to the implementation date.
11922. The Panel re-iterated that a modification that substantially addressed the same defect, could not proceed separately through the process and unanimously agreed to reject **CMP416**. The Panel stated that they were obligated under the governance arrangements within the **CUSC Section 8.16.6** to do this.
11923. The Panel unanimously agreed that **CMP415** should follow standard governance and proceed to a Workgroup. However, in order for it to meet the original timelines presented to Panel and proceed in an expeditious fashion the **CMP408** Workgroup should be re-convened as the **CMP415** Workgroup for one more Workgroup meeting. Where they should raise a WACM (to cover the **CMP416** solution), validate and verify the discussions already held in **CMP408** and complete the Workgroup Vote.
11924. The Panel also unanimously agreed that **CMP415** should just have the standard Terms of Reference (ToR) and that the final Workgroup report should be circulated to the Panel via email for confirmation that the Workgroup have met the ToR by 15 August 2023 before going out to Code Administrator Consultation at the same time as **CMP408** on the 16 August 2023.
11925. The Chair asked Panel Members to let the Code Administrator know if they are going to be on holiday during this period, so that they can make sure they have quoracy for the offline vote via email on whether **CMP415** should proceed to Code Administrator Consultation.
11926. The Panel highlighted that lessons needed to be learnt from this to make sure this did not re-occur.
11927. AT agreed and stated that in the future if a consequential modification needed to be raised, the ESO will make sure they do this earlier in the process.

CMP417: Extending principles of CUSC Section 15 to all Users

11928. APr presented the modification to the Panel and stated that **CMP417** seeks to extend the principles of CUSC Section 15 “User Commitment Methodology” to Users on Final Sums methodology, so that all Users are on the User Commitment Methodology. This will introduce equitable treatment across User groups and reduce barriers to entry as a User’s security amount will better reflect the transmission liabilities they impose should they cancel connection or reduce capacity.
11929. APr confirmed that existing Users will have to transition from the Final Sums Methodology to the User Commitment Methodology, but any new users will not have the option to choose between the two methodologies and will automatically be placed on the User Commitment Methodology.
11930. The Panel unanimously agreed that **CMP417** should follow standard governance process and proceed to a Workgroup.
11931. The Panel unanimously agreed the ToR and added one new ToR requesting that the Workgroup consider the transitional arrangements.

11932. ML presented the timeline to the Panel and highlighted that an Ofgem decision was required on this modification by June 2024.

7. In flight modification updates

11933. ML talked the Panel through the progression of the in-flight modifications. The modification tracker can be found on the National Grid ESO website via the following link:

<https://www.nationalgrideso.com/document/284396/download>

CMP286&CMP287: Improving TNUoS Predictability through Increased Notice of the Target Revenue (CMP286) and Inputs (CMP287) used in the TNUoS Tariff Setting Process

11934. ML explained that **CMP286/CMP287** had been sent back by Ofgem for two reasons:

- **CMP286/CMP287** had never formally been amalgamated by the Panel, so they should have been sent off as two separate Final Modification Reports (including votes) and legal text.
- Further analysis was required for **CMP287**.

11935. ML advised the Panel of the steps that had been taken by the Proposer to obtain this analysis and recommended that **CMP286/CMP287** be sent back to the Workgroup to validate the analysis and make sure they have meet the deficiencies described in the send back letter, instead of going straight out for a second Code Administrator Consultation.

11936. The Panel unanimously agreed with ML's recommendation and requested that **CMP286/CMP287** be sent back to the Workgroup before coming back to Panel to agree the ToR have been met and then going out for a second Code Administrator Consultation.

11937. ML advised the Panel that two additional ToR were being proposed to answer the deficiencies within the send back letter, these were:

- Consider whether the modifications should be amalgamated; and
- Secure supporting evidence to demonstrate how often forecasts from the previous charging years have been inaccurate and what the subsequent increase cost to consumers have been.

11938. The Panel unanimously agreed that these additional ToR should be added for the Workgroup to consider.

11939. ML shared a draft timeline with the Panel and highlighted that this may be subject to change depending on how long the analysis takes, but they are hoping that the Workgroup Report will be presented back to the either the September or October 2023 Panel.

CMP315: TNUoS Review of the expansion constant and the elements of the transmission system charged for & CMP375: Enduring Expansion Constant & Expansion Factor Review

11940. ML advised the Panel that the Workgroup have requested a timeline extension to allow for further refinement of the solution and that the Workgroup report will now be presented to the October 2023 Panel.

11941. The Panel questioned what the implementation date was for the modification.

11942. The ESO representative on the Panel confirmed that this had been amended from April 2024 to April 2025.

11943. The Panel unanimously agreed to the timeline extension.

CMP393: Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage

11944. ML advised the Panel that the Workgroup have requested a timeline extension to carry out further research and refine the scope of the modification. A new timeline will be issued for the August 2023 CUSC Panel, along with updated ToR for Panel approval, this will remain as TBC until then.
11945. The Panel discussed whether it was better to provide a one month extension rather than leaving this as TBC. The Panel concluded that a one month extension was factually incorrect and unanimously agreed to leave this as “TBC at the August 2023 CUSC Panel”.

CMP396: Re-introduction Of BSUoS on Interconnector Lead Parties

11946. ML stated that the June CUSC Panel agreed that **CMP396** should now go out to Code Administrator Consultation. The Code Administrator are in the process of preparing this document and it will be shared with the Panel for approval ahead of the Consultation officially being opened.

CMP402: Introduction of Anticipatory Investment (AI) principles within the User Commitment Arrangements

11947. ML advised the Panel that the **CMP402** Workgroup have requested a one month extension to allow enough time for the Proposer to finalise an alternate proposal ahead of this being shared with the rest of the Workgroup.
11948. The Panel unanimously agreed to the timeline extension.

8. Prioritisation Stack / Dashboard

11949. The Panel carried out an in-depth review of the prioritisation stack and agreed that no changes were required to the ordering of the existing stack.

CMP304: Improving the Enhanced Reactive Power Service by making it fit for purpose

11950. During these discussions it was highlighted by GG (the Proposer) of **CMP304** that it had been hold for an extended period of time and now that the ESO had completed phase one of its feasibility studies the ESO should present its finding to the Workgroup. GG felt that the **CMP304** Workgroup, through the governance process, should be involved in developing the details of implementing an enduring long term market and short term solutions for reactive power - so that alternative solutions could be put forward and the final solution. Rather than the ESO developing it on its own in some kind of separate arrangement.
11951. ML suggested that there be further discussion offline to see if there is enough material for the Workgroup to reconvene. If so, Code Admin will check with Workgroup members if they still wish to be on the Workgroup and open up further Workgroup nominations if required before setting up a Workgroup meeting. After which, a revised timeline will be presented to the Panel for approval. **ACTION 187.**

CMP291: The open, transparent, non-discriminatory and timely publication of the harmonised rules for grid connection (in accordance with the RfG, DCC and HVDC) and the harmonised rules on system operation set out within the Bilateral Agreements

11952. The Chair highlighted that there had also been no movement on **CMP291** for quite some time and asked the Proposer GG whether it would be progressing further or if it should be withdrawn.
11953. GG agreed to take this away to be considered but stated that as things had moved on it may be that the modification can be withdrawn and replaced with another one. **ACTION 188.**

CMP286&CMP287: Improving TNUoS Predictability through Increased Notice of the Target Revenue (CMP286) and Inputs (CMP287) used in the TNUoS Tariff Setting Process

11954. The Panel discussed whether **CMP286/CMP287** needed to be higher in the stack as it was a send-back and the wording within Ofgem's letter stated that the Final Modification Report should be re-submitted "as soon as practicable".
11955. The Ofgem Representative confirmed that Ofgem were ready to look at these modifications once they were eventually sent back.
11956. The Panel concluded that **CMP286/CMP287** should sit at the top of 'Medium' within the priority stack, the same position they had been in before they were sent off to Ofgem for a decision. The Panel highlighted this was because these modifications had been de-prioritised by Ofgem in the past.

CMP415: Amending the Fixed Price Period from 6 to 12 months

11957. The Panel agreed that **CMP415** should sit next to **CMP408** which was 'High' in priority on the stack.

CMP417: Extending principles of CUSC Section 15 to all Users

11958. The Panel also agreed to place **CMP417** at 'Medium to High' priority within the stack, as this was part of the wider Connections reform package and had potential benefits for demand customers but did not pose an immediate harm or risk to consumers.

11959. The updated prioritisation stack can be found via the following link:

<https://www.nationalgrideso.com/document/285251/download>

9. Workgroup Reports

CMP392: Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation

11960. TP presented the **CMP392** Workgroup report to the Panel and explained how the ToR had been met.
11961. The Panel unanimously agreed that the **CMP392** Workgroup had met their ToR and because of the holiday period it should proceed to a 20 working day Code Administrator Consultation.

CMP408: Allowing consideration of a different notice period for BSUoS tariff settings

11962. DS presented the **CMP408** Workgroup report to the Panel and explained how the ToR had been met.
11963. ML explained that any further discussions held by the Workgroup on **CMP415** would not impact the **CMP408** Workgroups ToR or its Workgroup report. But as the modifications are intrinsically linked, they will go out to Code Administrator Consultation together and close on the same date.
11964. The Panel unanimously agreed that the **CMP408** Workgroup had met their ToR and it should proceed to Code Administrator Consultation at the same time as **CMP415**.
11965. A Panel member suggested that when the ESO publish the draft tariffs later in the year would they be able to include an additional line to say here are the draft tariffs if **CMP408** were to be approved.
11966. The ESO representative agreed to check with the Revenues Team if this was possible.
- ACTION 189.**

10. Draft Final Modification Reports

CMP330: Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length & CMP374: Extending contestability for Transmission Connections

11967. ML explained that this modification will amend CUSC Section 14 to allow contestability in the construction of connection assets and remove the link between contestability eligibility and TNUoS charging which creates a limit on contestable connections of 2km. **CMP330/CMP374** can only be approved and implemented in conjunction with **CMP414**.
11968. ML advised the Panel that the Code Administrator Consultation opened on the 01 June 2023 and closed on 29 June 2023 and received 6 non-confidential responses, no late responses were received, and no legal text issues were identified.
11969. The Panel held their recommendation vote and unanimously recommended that the Proposers Original solution and WACM1 better facilitated the CUSC Applicable Objectives. The Panel also recommended by majority that the Original solution (6 out of 7 votes) was the best option and should be implemented.

Post Panel Note: The CMP330/374 Final Modification Report was circulated to Panel on 01 August 2023 to check their votes. This was then sent to Ofgem on the 10 August 2023 for a decision.

CMP414: "CMP330/CMP374 Consequential Modification"

11970. ML explained that this is a consequential modification which by updating Exhibit B, Section 2 and Section 11 of the CUSC enacts the **CMP330/CMP374** Workgroup solution and can only be approved and implemented in conjunction with **CMP330/CMP374**.
11971. ML advised the Panel that the Code Administrator Consultation opened on the 01 June 2023 and closed on 29 June 2023 and received 4 non-confidential responses, no late responses were received. Several respondents were un-supportive of either of the modifications as they felt that the solution was incomplete, and it had not fully considered the impacts on the TOs. ML advised the Panel that an STC modification **CM079** had been raised to look into this and was expected to be sent to the Authority in December 2023 for a decision.
11972. ML advised explained that one legal text issue was identified, where a respondent had fed back that the phrase 'shared works' in clause 2.23.4b was too vague and could be interpreted in multiple ways. To remove any confusion, they suggested replacing the word 'works' with 'assets'.
11973. The Panel considered the legal text amendment proposed as part of the Code Administrator Consultation and unanimously agreed it was typographical and instructed the Code Administrator to make the change under **Section 8.23.4 (i)** of the CUSC governance arrangements.
11974. The Panel held their vote and unanimously recommended that the Proposers Original solution better facilitated the CUSC Applicable Objectives and should be implemented.

Post Panel Note: The CMP414 Final Modification Report was circulated to Panel on 01 August 2023 to check their votes. This was then sent to Ofgem on the 10 August 2023 for a decision.

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

11975. CH advised that the the last meeting was held 06 July 2023, and covered updates on the following items:

- TNUoS taskforce and the enduring BSUoS subgroup;
- GB Connection Reforms and 5 Point Plan;
- CISG; and
- TNUoS Expansion Constant data

11976. The next meeting is planned for 03 August 2023.

12. European Updates

Joint European Stakeholder Group (JESG)

11977. The last meeting was held on 13 June 2023, and the next meeting will be held on 08 August 2023 .The papers and presentations for the last meeting can be found via the following link: [JESG Meeting - 13 June 2023](#)

European Code Development.

11978. No updates were provided to the Panel.

13. Updates on other Industry Codes

11979. No updates were provided to the Panel.

14. Relevant Interruptions Claim Report

11980. ML thanked the Panel for highlighting a big jump in numbering on the Relevant Interruptions Claim Report. ML explained that the person who produces the report is currently away on holiday and an update would be provided once they are back.

Post Panel Note: An email was circulated to Panel on the 01 August 2023 explaining that following a data migration in Salesforce, the original numbering was lost, and new numbers were auto generated. Any new claims will therefore have a much higher reference number than on the previous report.

15. Governance

11981. There were no updates at this Panel meeting.

16. Horizon Scan

11982. There were no updates at this Panel meeting.

17. Code Administrator Update

11983. ML suggested that to avoid any future CUSC Panel meetings over running and any issues around quoracy they would like to amend the end time of future meetings to now finish at 3 o'clock. This way Panel members already have extra time in their diary for the Panel meeting if it is needed.

11984. No objections were raised by the Panel to this change.

Post Panel Note: All CUSC Panel invites for 2023 have now been amended to finish at 3pm.

Send backs:

11985. ML explained that the Code Administrator Team have been reviewing the Send backs to try and establish the root causes of them and what could have been done differently. They have

also been re-calibrating their position in Workgroups/Panels and their relationship with stakeholders, whom they rely heavily on to assist them with any technical elements within meetings. In light of this the Code Administrator Team have decided to make the following changes:

- Make sure we plan our technical support to ensure that the process is carried out correctly and we get early sight of any issues
- Share best practice and provide coaching/support for Chairs and Technical Secretaries.
- Improve communications with Proposers, ESO Representatives and other stakeholders to ensure we help anyone who is struggling with an issue/modification.
- Really understanding the knock on impacts from a cross code perspective.
- Have more open, honest adult conversations if any of these approaches are not working.

11986. ML asked the Panel if they had any further suggestions for improvements and if they would benefit from seeing some of the larger reports earlier than the usual papers day to allow them more time to review the documents ahead of the Panel meetings.

11987. The Panel agreed that this may be beneficial.

11988. The Chair asked Panel members to send across feedback on any further improvements that could be made to best support them through the process, or ideas on anything they could do to help support the Code Admin Team.

18. Any Other Business (AOB)

CUSC Panel Elections:

11989. ML advised the Panel that the nominations window for the CUSC Panel Elections closes at 5pm today. If more nominations are received, then the seats available then the voting process will commence on the 4 August 2023 and close on the 1 September 2023. The results of the Elections will be announced by 15 September 2023.

11990. A Panel member questioned whether they should move the next face to face Panel meeting from October to September, to allow any new Panel members the opportunity to observe the Panel meeting and thank any Panel members that were leaving.

11991. ML agreed to look into this. **ACTION 190.**

19. Close

11993. The Chair thanked the Panel for their time and contribution and brought the meeting to a close.

The next CUSC Panel meeting will be held on 25 August 2023 via Microsoft Team.

New Modification Proposals are to be submitted by 10 August 2023.

CUSC Panel Papers Day is 17 August 2023.