

# Headline Report – 29 September 2023

## Connection and Use of System Code (CUSC) Panel

The Headline Report is produced after every 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 Panel on 25 August 2023 were approved and these have been uploaded to our [website](#).

## New Modifications

The following new Modification Proposal was presented to the Panel:

### **CMP420: Treatment of BSUoS Revenue Recovery, and creation of a BSUoS Fund**

This modification will codify Over and Under recovery in terms of when this will be returned to or recovered from Industry and any inflation applied to the Over or Under recovery to leave appropriate Parties whole.

The Panel unanimously agreed that CMP420 should follow the standard governance route and proceed to a Workgroup. The Panel drafted, but did not approve, the Terms of Reference for the Workgroup.

CMP420 documentation can be found [here](#).

## New / Pending Authority Decisions

### **Decisions since the last Panel**

Modification	What this seeks to achieve	Decision
<b>CMP288</b>	To introduce explicit charging arrangements to recover additional costs incurred by Transmission Owners and TNUoS liable parties because of transmission works undertaken early due to a User initiated delay to the Completion Date of the works, or to facilitate a backfeed.	The Authority Sent back the FMR for further work on 14 September 2023

### **Awaiting Decisions**

Modification	What this seeks to achieve	Expected Decision Date
<b>CMP298</b>	Process for aggregated assessment of Distributed Generators that impact (or may impact) on the National Electricity Transmission System.	20 October 2023 (29 September 2023)
<b>CMP330&amp;CMP374</b>	To amend the definition of Connection Assets in section 14 of the CUSC to allow cable and overhead line lengths over 2km to be contestable where agreed between the Transmission Owner and the User.	08 March 2024

<b>CMP331</b>	To provide new generators with the option to replace the generic Annual Load Factors (ALFs) used to determine their TNUoS charges with a user-provided ALF.	30 October 2023 (previously 29 September 2023)
<b>CMP344</b>	Clarifies that the allowed revenue for Transmission Owners recovered from Transmission Users under the Charging Methodologies is fixed for each onshore price control period for onshore transmission licensees and at the point of asset transfer for OFTOs.	08 December 2023 (previously 29 September 2023)
<b>CMP376</b>	Seeks to implement the queue management process into CUSC including introducing a right for the Electricity System Operator (ESO) to terminate contracted projects which are not progressing against agreed milestones.	10 November 2023 (previously 15 September 2023)
<b>CMP379</b>	Seeks to clarify how TNUoS demand zones and therefore TNUoS demand tariffs and charges should be determined for transmission-connected demand users who connect at the boundaries of multiple DNO areas	16 October 2023
<b>CMP398</b>	GC0156 will place new obligations, within the Grid Code, upon CUSC Parties who are not contracted with the ESO as Restoration Service Providers. CMP398 proposes to introduce a codified cost recovery mechanism to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations	31 October 2023 (previously 06 October 2023)
<b>CMP412</b>	Seeks to facilitate the implementation of CMP398 and proposes a small change to Section 14 (BSUoS) to ensure that any validated costs arising via the CMP398 solution are recovered (as happens today with black start costs via BSUoS).	31 October 2023 (previously 06 October 2023)
<b>CMP414</b>	Seeks to enact the Workgroup solution from CMP330/CMP374, by updating Exhibit B, Section 2 and Section 11 of the CUSC	08 March 2024

Ofgem publish 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 22 September 2023 and is published [here](#).

## 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 is planned to be carried out at our October 2023 Panel.

The Panel discussed the prioritisation of the following Modifications:

Modification	What this seeks to achieve	Panel Comments	Prioritisation
<b>CMP288</b>	To introduce explicit charging arrangements to recover additional costs incurred by Transmission Owners and TNUoS liable parties because of transmission works undertaken early due to a User initiated delay to the Completion Date of the works, or to facilitate a backfeed.	Due to the consideration required by the Ofgem send back letter of 14 September 2023, the Panel agreed to return the modification to the same priority it was given prior to the initial submission of the FMR.	Medium

<b>CMP420</b>	This modification will codify Over and Under recovery in terms of when this will be returned to or recovered from Industry and any inflation applied to the Over or Under recovery to leave appropriate Parties whole.	Due to the complexity of the defect, the potential value of an unofficial fund, interactions with the Future System Operator and the timing of its set up, this was placed as “Medium to High” in the prioritisation stack.	Medium to High
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The latest prioritisation stack can be found [here](#)

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## In flight Modifications

Modification Withdrawal: [CMP271: Improving the cost reflectivity of demand transmission charges](#)

The Panel approved the withdrawal of the Modification following no responses from industry.

Modification Withdrawal: [CMP276: Socialising TO costs associated with green policies](#)

The Panel approved the withdrawal of the Modification following no responses from industry.

Modification Timeline Updates: [CMP286&CMP287: Improving TNUoS Predictability through Increased Notice of the Target Revenue \(CMP286\) and Inputs \(CMP287\) used in the TNUoS Tariff Setting Process](#)

The Panel approved the new timelines as submitted within the Panel Papers.

Modification Authority Send Back Update: [CMP288: Explicit charging arrangements for customer delays and backfeeds](#)

The Panel agreed that the Workgroup should be reconvened to address the Ofgem Send back and approved the draft Terms of Reference.

Modification Timeline Update: [CMP402: Introduction of Anticipatory Investment \(AI\) principles within the User Commitment Arrangements](#)

The Panel approved the new timeline as submitted within the Panel Papers.

Modification Timeline Update: [CMP411: Introduction of Anticipatory Investment \(AI\) within the Section 14 charging methodologies](#)

The Panel approved the new timeline as submitted within the Panel Papers.

Modification Terms of Reference Update: [CMP417: Extending principles of CUSC Section 15 to all Users](#)

The Panel approved, with an amendment, the additional Terms of Reference as submitted within the Panel Papers.

Modification Terms of Reference Update: [CMP418: Refine the allocation of Static Var Compensators \(SVC\) costs at OFTO transfer](#)

The Panel approved the Terms of Reference as submitted within the Panel Papers.

The next [Modification Tracker](#) will be published on 09 October 2023.

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## Workgroup Reports

There were no Workgroup Reports presented to the Panel.

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## Draft Final Modification Reports

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The following Draft Final Modification Reports were presented to the Panel:

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

Under CMP391 a definition of “Charges for Physical Assets Required for Connection” which reflects the Limiting Regulation has been added to the CUSC. CMP392 seeks to provide stakeholders with legal certainty and transparency of the methodology including the calculation and the output of the calculation.

The Panel has recommended unanimously that the Proposer’s Original solution and WACM2, and by majority that WACM1 better facilitate the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 13 October 2023.

CMP392 documentation can be found [here](#).

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

Following the approval of CMP361 WACM3, of an ex-ante fixed BSUoS tariff with a 9-month notice and 6-month fix, this modification seeks to amend the notice period to a 3-month notice period.

The Panel has recommended by majority that the Proposer’s solution does not better facilitate the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 13 October 2023.

CMP408 documentation can be found [here](#).

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

This modification is a consequential modification for CMP408, which looks at a change to a definition in Section 11. Amending the Fixed Price Period from 6 months to 12 months.

The Panel has recommended unanimously that the Proposer’s Original solution and by majority that WACM1 do not better facilitate the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 13 October 2023.

CMP415 documentation can be found [here](#)

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### **Other**

The CACoP Forum [survey](#) will close at 5pm on 27 October 2023.

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### **Questions or feedback?**

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