

CUSC Panel Minutes

22 March 2024

CUSC Panel Minutes

Date: 22/03/2024	Location: Microsoft Teams Meeting
Start: 10:00	End: 13:20

Participants

Attendee	Initials	Representing
Trisha McAuley	TM	Independent CUSC Panel Chair
Milly Lewis	ML	Panel Secretary, Code Administrator Representative
Claire Goult	CGo	Panel Technical Secretary, Code Administrator
Andrew Enzor	AE	Users' Panel Member
Andy Pace	AP	Consumers' Panel Member
Cem Suleyman	CS	Users' Panel Member (Alternate for Binoy Dharsi)
Christian Parsons	CH	Panel Member, ESO
Garth Graham	GG	Users' Panel Member
Joe Colebrook	JC	Users' Panel Member
Joe Dunn	JD	Users' Panel Member
John Tindal	JT	CMP342 Proposer
Kyran Hanks	KH	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Paul Jones	PJ	Users' Panel Member

Apologies

Attendee	Initials	Representing
Binoy Dharsi	BD	Users' Panel Member
Camille Gilsenan	CG	Users' Panel Member
Rashmi Radhakrishnan	RR	Elexon - Observer

Presenters / Observers

Attendee	Initials	
Paul Mullen	PM	Connections Update - Presenter
Teri Puddefoot	TP	CMP393 - Modification Chair

1. Introductions, apologies, and declarations of interest

12349. Apologies for absence received from Binoy Dharsi, Camille Gilsenan, and Rashmi Radhakrishnan. Declarations of interest received from Garth Graham on CMP432.

12350. The Chair talked through Code Administration role changes and confirmed Claire Goult would take on the role of Panel Secretary from May 2024.

2. Minutes from previous meetings

12351. The minutes from the CUSC Panel held on 09 February and 23 February were approved.

3. Review of actions log

12352. Action **182** – ML confirmed that this action is ongoing and to remain open.

4. Chair’s update

12353. TM mentioned how the Connections Delivery Board (CDB) meeting times currently clash with the Grid Code Panel and therefore will be unable to attend. ML explained a representative from Code Admin will attend and a mechanism will be put in place to provide updates to the Panel.

5. Authority Decisions and Updates

Decisions since the last Panel

12354. NH confirmed the following updates to Authority decisions:

Modification	What this seeks to achieve	Decision
CMP398	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.	The Authority approved CMP398 WACM1 on 29/02/24. It was implemented on 14/03/24.
CMP412	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).	The Authority approved CMP412 on 29/02/24. It was implemented on 14/03/24.
CMP427	This modification proposes that a Letter of Authority (LoA) should be required for new Onshore Transmission Connection Applications.	The Authority approved CMP427 Original solution on 15/03/24. It will be implemented on 28/03/24.

Awaiting Decisions

Modification	What this seeks to achieve	Expected Decision Date
CMP286	The purpose of this modification proposal is to improve the predictability of TNUoS demand charges by bringing forward the date at which the target revenue used in TNUoS tariff setting is fixed to allow customer prices to more accurately reflect final TNUoS rates.	30/04/2024
CMP315 CMP375	This modification proposal would review how the expansion constant is determined such that it best reflects the costs involved. This modification seeks to amend the calculation of the Expansion Constant & Expansion Factors to better reflect the growth of and investment in the National Electricity Transmission System (NETS).	30/09/2024
CMP330 CMP374	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.	08/05/2024 (Previously 08/03/2024)
CMP392	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.	30/04/24 (Previously 29/02/2024)
CMP396	Seeks to re-introduce BSUoS on Interconnector Lead Parties to reflect BSUoS is an energy management cost and not a transmission access charge.	31/05/2024 (Previously 16/02/2024)
CMP408	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.	To be confirmed
CMP411	Seeks to introduce Anticipatory Investment (AI) and a mechanism for the recovery of AI costs within the Section 14 charging methodologies	28/03/2024
CMP414	Seeks to enact the Workgroup solution from CMP330/CMP374, by updating Exhibit B, Section 2, and Section 11 of the CUSC	08/05/2024 (Previously 08/03/2024)
CMP415	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.	To be confirmed

12355. NH talked through the Authority decisions outlined above and confirmed the [Ofgem’s open letter regarding prioritisation of electricity transmission network charging reforms](#) was published on Thursday 21 March 2024. NH also explained there would be an update on best practice. GG requested this update to be circulated to Panel to enable discussion. GG confirmed this is not an immediate request but useful for future consideration. ML took this as an action.

12356. 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 23 February 2024 and is published [here](#).

12357. NH reminded Panel members there are two consultations currently open. The Energy Code Reform consultation closes on 5 May and the Implementation consultation closes on 23 April. NH informed members a webinar would take place on Tuesday 26 March to discuss both consultations.

6. New Modifications

12358. TM informed Panel Members there is one new CUSC Modification being presented to the Panel to agree the governance route.

CMP432: Improve “Locational Onshore Security Factor” for TNUoS Wider Tariffs

12359. JT from SSE delivered a presentation on CMP432. JT outlined the rationale of the modification and informed Panel that it had been discussed in detail at the TNUoS Task Force and TCMF forums.

12360. CP clarified a few Task Force members strongly supported the modification but there was not a clear case for change agreed at the meeting. JT felt Task Force members had felt there was a case for change and felt analysis was best done as part of a Workgroup rather than Task Force.

12361. PJ expressed concern that there was another section of the methodology (Section 14.14.11) which had not been considered as part of the modification and suggested this be included in the Terms of Reference.

12362. The Panel agreed the initial draft Terms of Reference for the Workgroup. ML agreed to consult with PJ to finalise the draft and circulate to Panel members for agreement.

12363. Panel members agreed that this modification should follow Standard Governance and proceed to Workgroup.

12364. ML highlighted the very ambitious timeline to Panel members. CP confirmed ESO resources are also stretched.

7. In flight modification updates

12365. 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: [Modification Tracker](#)

CMP287: Improving TNUoS Predictability Through Increased Notice of Inputs Used in the TNUoS Tariff Setting Process

12366. ML confirmed the Proposer had withdrawn their support for CMP287 on 23 February 2024 and a withdrawal window was opened for 5 Business Days from this date.

12367. ML informed Panel that no parties came forward to become the Proposer for this Modification.

12368. Panel agreed that the modification could be withdrawn.

CMP316: TNUoS Arrangements for Co-located Generation Sites

12369. ML provided an update explaining how Panel suggested further Workgroups were required to clarify the legal text as it did not reflect the intent of CMP316 WACM1. Further worked examples have been provided to clarify the differences in methodology between WACM1 and the Original solution. There have also been some updates to the methodology affecting both WACM1 and the Original.

12370. ML confirmed the Workgroup has agreed the methodology updates and requested a Second Code Administrator Consultation.

12371. Panel agreed the updates reflect the intent of CMP316 WACM1 and that the modification could proceed to a Second Code Administrator Consultation.

CMP403 and CMP404: Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14 and 11)

12372. ML provided an update to the timeline. The Grid Code Panel agreed on 21 March 2024 to delay the Code Administrator Consultation for GC0159 to address legal text issues.

12373. Panel agreed to allow these modifications to follow the same timeline as the GC0159: Introducing Competitively Appointed Transmission Owners modification.

(Post Meeting note: The Code Administrator Consultation was published on 28 March 2024)

8. Workgroup Reports

12374. One Workgroup Report was presented to the Panel.

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

12375. TP presented the Workgroup Report to Panel highlighting the considerable amount of analysis completed as part of the modification. Although further analysis was discussed, both the Proposer and Workgroup members felt this would not be beneficial and be out of scope.

12376. TP described how the majority (nine out of eleven) of the Workgroup believed the Original solution better facilitated the CUSC objectives than the Baseline.

12377. GG requested an extension to the consultation dates noting it was over Easter. TP agreed to extend the consultation from 15 to 20 days.

12378. Panel agreed the Workgroup had met their Terms of Reference and agreed that the modification could proceed to Code Administrator Consultation.

(Post Meeting note: The Code Administrator Consultation was published on 3 April 2024)

9. Draft Final Modification Reports

12379. No Draft Final Modification Reports were submitted to Panel.

10. Standing Groups

Transmission Charging Methodology Forum (TCMF)

12380. CP advised the Panel that TCMF was held on 29 February 2024. The meeting materials and slides can be found via the following link: [Transmission Charging Methodologies Forum](#)

12381. The next TCMF meeting will be held on 4 April 2024.

11. European Updates

Joint European Stakeholder Group (JESG)

12382. GG advised that JESG was held on 9 January 2024. The meeting materials and slides can be found via the following link: [Joint European Stakeholder Group](#)

12383. The next JESG meeting will be held on 9 April 2024.

European Code Development

12384. There were no updates at this Panel meeting.

12. Updates on other Industry Codes

12385. There were no updates at this Panel meeting.

13. Relevant Interruptions Claim Report

12386. There were no updates at this Panel meeting.

14. Governance

12387. There were no updates at this Panel meeting.

15. Horizon Scan

12388. PM provided a connections reform update on code change strategy explaining how the current connections process is not aligned with the ESO's proposals for a reformed connections process. Eight modifications are proposed in total with only two (three if Letter of Authority Phase 2 modification is required) to be raised in April.

12389. PM provided a timeline of the proposed changes and outlined the proposed draft modification scope. PM asked Panel to note that the modification paperwork is currently being developed on the proposed scope described and welcomed feedback from Panel on both the defect and scope.

12390. GG ask Panel to note the big impact this would have on Transmission Owners and felt it was important thy be a part of the Workgroups. GG also stressed the importance of these modifications to be legally robust noting it is a very complex issue being presented as a package. PM confirmed lots of engagement had taken place with both the Authority and industry.

12391. NH offered to invite the connections policy team to the next Panel meeting to provide an explanation behind the rationale of packaging the modifications in this way. NH confirmed the approach being taken was different from the usual insistence on a single defect within a modification due to the significant size and volume of the connection queue.

16. Code Administrator Update

12392. There were no updates at this Panel meeting.

17. Discussion on Prioritisation

12393. Panel discussed the current prioritisation stack, and no movements were made. Panel agreed to discuss further at the special Panel on Friday 12 April. ML agreed to outline each modification in terms of timeline and urgency prior to the Panel to support in decision making.

12394. Panel agreed by majority the new modification CMP432: Improve "Locational Onshore Security Factor" for TNUoS Wider Tariffs could be placed as medium priority. Panel members also agreed to amend the timeline for CMP432 to be amended accordingly.

18. Any Other Business (AOB)

12395. ML confirmed none submitted.

19. Close

12348. The Chair thanked the Panel for their time and contribution and brought the meeting to a close.

Special April CUSC Panel Papers is 9 April 2024.

New Modification Proposals are to be submitted by 11 April 2024.

A Special Panel will be held on 12 April 11.00-11.50am to discuss CMP428.

CUSC Panel Papers Day is 18 April 2024.

Panel Late Papers Day (CMP428 DFMR) is 23 April 2024.

The next CUSC Panel meeting will be held on 26 April 2024 on Teams.