

CUSC Panel - 23 August 2024

CUSC Panel Minutes

Date: 23/08/2024	Location: Microsoft Teams
Start: 10:00 AM	End: 12:56 PM

Participants

Attendee	Initials	Company
Trisha McAuley OBE	TM	Independent Panel Chair
Claire Goult	CG	Panel Secretary Code Governance Representative
Deborah Spencer	DB	Panel Technical Secretary (Code Administrator)
Andrew Enzor	AE	Users' Panel Member
Andy Pace	AP	Consumers' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joe Dunn	JD	Users' Panel Member
Kyran Hanks	KH	Users' Panel Member
Lauren Jauss	LJ	Users' Panel Member (Alternate for Paul Jones)
Cem Suleyman	CS	Users' Panel Member (Alternate for Joe Colebrook)
Dan Arrowsmith	DA	National Grid ESO Panel Member
Nadir Hafeez	NH	Authority Representative

Observers/Presenters

Attendee	Initials	Company
Nick Sillito	NS	CMP439 Proposer
Milly Lewis	ML	ESO (Industry Code Governance Manager)

Apologies

Attendee	Initials	Company
Catia Gomes	CG	Panel Technical Secretary (Code Administrator)

Joe Colebrook	JC	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Rashmi Radhakrishnan	RR	ELEXON Observer

1. Introductions, Apologies and Declarations of Interest

12557. Apologies were received from Catia Gomes, Paul Jones, Joe Colebrook and Rashmi Radhakrishnan.

12558. Declarations of interest were made by AP regarding CMP414 and GG regarding an interaction of GC0117 with CMP439.

2. Minutes from previous meeting

12559. The Chair advised Panel members that the meeting minutes from the CUSC Panel held on the 12 and 26 July 2024 would be presented at the September CUSC Panel meeting.

3. Review of actions log

12560. CG confirmed Actions 182 and 183 are ongoing and are to remain open.

4. Chair's update

12561. There were no Chair updates.

5. Authority Decisions

Modification	FMR Received	Expected Decision Date
CMP315 'TNUoS Review of the expansion constant, and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'	07/02/2024	30/09/2024
CMP316 TNUoS Arrangements for Co-located Generation Sites	12/06/2024	30/09/2024
CMP330&CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10/08/2023	Subject to CMP414 send back
CMP393 Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage	17/06/2024	30/09/2024
CMP397 Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)	12/06/2024	30/09/2024
CMP403 Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14)	11/06/2024	30/09/2024
CMP404 Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 11)	11/06/2024	30/09/2024
CMP408 'Allowing consideration of a different notice period for BSUoS tariff settings'	13/10/2023	30/09/2024
CMP413 Rolling 10-year wider TNUoS generation tariffs	08/05/2024	30/09/2024
CMP415 'Amending the Fixed Price Period from 6 to 12 months'	13/10/2023	30/09/2024
CMP424 Amendments to Scaling Factors used for Year-Round TNUoS Charges	09/07/2024	30/09/2024
CMP436 Update CUSC arrangements to replace the Electricity Arbitration Association with the London Court of International Arbitration (LCIA) (Non-Charging)	07/08/2024	06/12/2024

CMP437 Update CUSC arrangements to replace the Electricity Arbitration Association with the London Court of International Arbitration (LCIA) (Charging)	07/08/2024	06/12/2024
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Authority Energy Code Reform Update

12564. NH advised Panel members that the Energy Code Reform decision was issued on 22 August 2024 to industry and shared the [link](#) to the relevant webpage. NH also advised that the next opportunity to contribute to the development of the Strategic Direction Statement will be in the winter consultation. The Chair noted that this would be an appropriate milestone for the Panel to receive another update from the Ofgem team.
- 12562.
12563. A question was raised regarding expected decision date for GC0117. NH responded advising there would be a minded to consultation in September, all recommendations would then be considered, and a “minded to” decision made by the Authority in December 2024.

7. New Modifications

CMP439: Removal of Bilateral Embedded Generator Agreement (BEGA) obligation for a sub 100MW Generator

12564. NS presented CMP439 to the Panel, which looks to remove the requirement for ≥ 100 MW licenced embedded generators to have a BEGA before participating in the Balancing Mechanism.
12565. It was highlighted that this modification had interactions with GC0117. DA wanted to understand what the interactions were with GC0117, and if changes would be required to the definition. GG advised there would be no new obligations, the modification was simply harmonising across GB. DA questioned if BEGA was being replaced with something else, what would that look like, adding that further analysis might be useful before a decision is made to progress with this modification.
12566. The Chair suggested it would be useful to understand the proposed Governance route for CMP439. CG confirmed the Proposer is requesting that the modification follows the Standard Governance route proceeding straight to Code Administrator Consultation if approved at Panel.
12567. DA raised a concern that no analysis had been performed by the Proposer. DA felt further work was required to fully understand the issue prior going to Code Administrator Consultation and analysis would be needed to appreciate the depth of the problem.
12568. Panel members agreed that further work was required and advised the Proposer to reconsider the Proposal and assess the impact before bringing it back to Panel next month.

8. In flight modification updates

The in-flight modifications can be found within the CUSC Panel papers pack on the National Grid ESO website via the following link: [Modification Tracker](#) and will be updated on 9 September.

CMP414: CMP330/CMP374 Consequential Modification

12569. CG presented the updated timeline.
12570. Panel approved the new timeline and agreed that the prioritisation would be discussed later in the meeting.

Connections Update

12571. A representative from the Connections team and an Ofgem Representative joined the CUSC Panel meeting to give an update on the Urgent Connection Modifications currently in progress.
12564. RJ advised Panel members the decision on the connection modifications would not be made in December 2024 and would be moved out to Quarter (1) 2025. The ESO and Ofgem confirmed that the timeline had been built on the basis of Ofgem coupling the decisions on Code Modifications and Methodologies in Q1 2025.

- 12565. Therefore, the methodologies, licence changes, and code modification will be consulted and Ofgem will decide on all regulatory changes together having consulted on the complete package of reforms and published an impact assessment.
- 12566. A detailed timeline was currently put together that would be presented at a Special Panel once completed.
- 12567. LW added that a letter would be issued by the Authority to give clarity on the details and to help industry understand how things would work going forward.
- 12568. GG advised that, as currently the methodologies do not yet exist, it might be an idea to engage with industry stakeholders who could offer support and assist in putting the methodologies in place.
- 12569. RJ advised that at present there was not a fully formed process in place but would take into consideration the Panel member's suggestion.
- 12570. LW added that members could send any suggestions to the Authority to be considered.
- 12571. HH wanted to understand from the Panel what the bottlenecks were making it necessary for a further hiatus, and if it was an issue across industry or localised to certain companies.
- 12572. GG advised that within their organisation they had several resources to cover different modifications but other companies within the industry may not.
- 12573. Several members gave examples of where there was a shortage of resource, not just within this sector. This had caused issues with quoracy for meetings/forums leading to cancelations.
- 12574. After careful consideration, the Panel agreed to the continuation of the current workgroup meeting hiatus.

8. Workgroup Reports

- 12575. No Workgroup Reports were presented to the August CUSC Panel.

9. Draft Final Modification Reports (DFMR)

CMP430 Adjustment to TNUoS charging from 2025 to support the Market Wide Half Hourly Settlement (MHHS) Programme

- 12576. CG presented the Draft Final Modification Report to the CUSC Panel.
- 12577. The Panel held their Recommendation Vote for CMP430 and agreed unanimously that the Original Proposal better facilitates the CUSC Objectives than the Baseline. The Final Modification Report will be issued to the Authority on 23 August 2024.

CMP438: Clarification of Illustrative Example of a TNUoS Demand Reconciliation

- 12578. GC presented the Draft Final Modification Report to the CUSC Panel.
- 12579. The Panel held their Determination Vote for CMP438 and agreed unanimously that the Original Proposal better facilitates the CUSC Objectives than the Baseline.
- 12580. The Final Self Governance Modification Report will be shared with Panel members on 27 August to check voting has been captured correctly. It will then be issued to industry for a 15 Business Day Appeals window which will close on 25 September 2024. If no objections are raised the Proposal will be implemented on 2 October 2024.

10. Discussion on Prioritisation

The updated Prioritisation Stack can be found [here](#).

- 12581. The Panel reviewed the prioritisation stack.
- 12582. AP expressed concerns regarding the new proposed timeline for CMP414 presented to Panel earlier in the meeting. AP explained how the modification had already taken four years and the new timeline would mean process completion in a total of seven years. AP felt the modification is not only a part of Connections Reform, but it has also benefitted in moving to net zero and should therefore be placed in a higher position in the prioritisation stack.
- 12583. DA sympathised but confirmed that the duration of a modification is not one of the prioritisation criteria and that the rationale behind moving CMP414 should be based on the complexity, importance and urgency of the modification.

12584. Panel members discussed how CMP414 is aiming to speed up the connections process and therefore could be considered important. The majority of Panel members agreed that CMP414 should be reprioritised as Medium/High.
12585. ML clarified to manage Panel expectations that reprioritisation will have no impact on the proposed timeline as the current hiatus is continuing.

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

12586. DA confirmed that, as there were no agenda items for the August meeting, it will be cancelled, the next meeting will be 5 September 2024.

12. European Updates

Joint European Stakeholder Group (JESG)

12587. Next Joint European Stakeholder Group (JESG) will be held on 10 September 2024.

13. Update on other Industry Codes

12588. The next Grid Code Panel will be held on 26 September 2024, [July Panel Papers and Headline Report](#)
12589. The Next SQSS Panel will be held on 11 September 2024, [August Panel Papers and Headline Report](#)
12590. The next STC Panel meeting will be held on 25 September 2024, [July Panel Papers and Headline Report](#)

14. Relevant Interruption Claim Report

12591. No further updates for Panel.

15. Horizon Scan

12592. A quarterly update on Horizon Scan was discussed.

17. Any Other Business

12593. Panel members were reminded that a Special CUSC Panel was needed in relation to the ongoing connections modifications and that further details would be shared when available.

18. Close

12594. The Chair thanked Panel members for their time and contribution and brought the meeting to a close.

New Modification Proposals to be submitted by Thursday 12 September 2024.

CUSC Panel Papers Day is Thursday 19 September 2024.

The next CUSC Panel meeting will be held on Friday 27 September 2024 via Microsoft Teams.