

Public

CUSC Panel

Friday 31 January 2025

In person meeting Faraday House, Warwick

Public

WELCOME

Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the **functions** referred to in CUSC – Section 8 CUSC Modification (8.3.3)

The **Panel** shall endeavour at all time to operate:

- In an **efficient, economical and expeditious manner**, taking account of the complexity, importance and urgency of particular CUSC Modification Proposals; and
- With a view to ensuring that the CUSC facilitates **achievement of the Applicable CUSC Objectives**.

Duties of Panel Members & Alternates (8.3.4)

1. Shall act **impartially** and in accordance with the requirements of the **CUSC**; and
2. Shall not have any **conflicts of interest**.

Shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he/she was appointed as Panel Member and any Related Person from time to time.

Update on Panel Minutes

Update on Panel Minutes from the Meetings held:

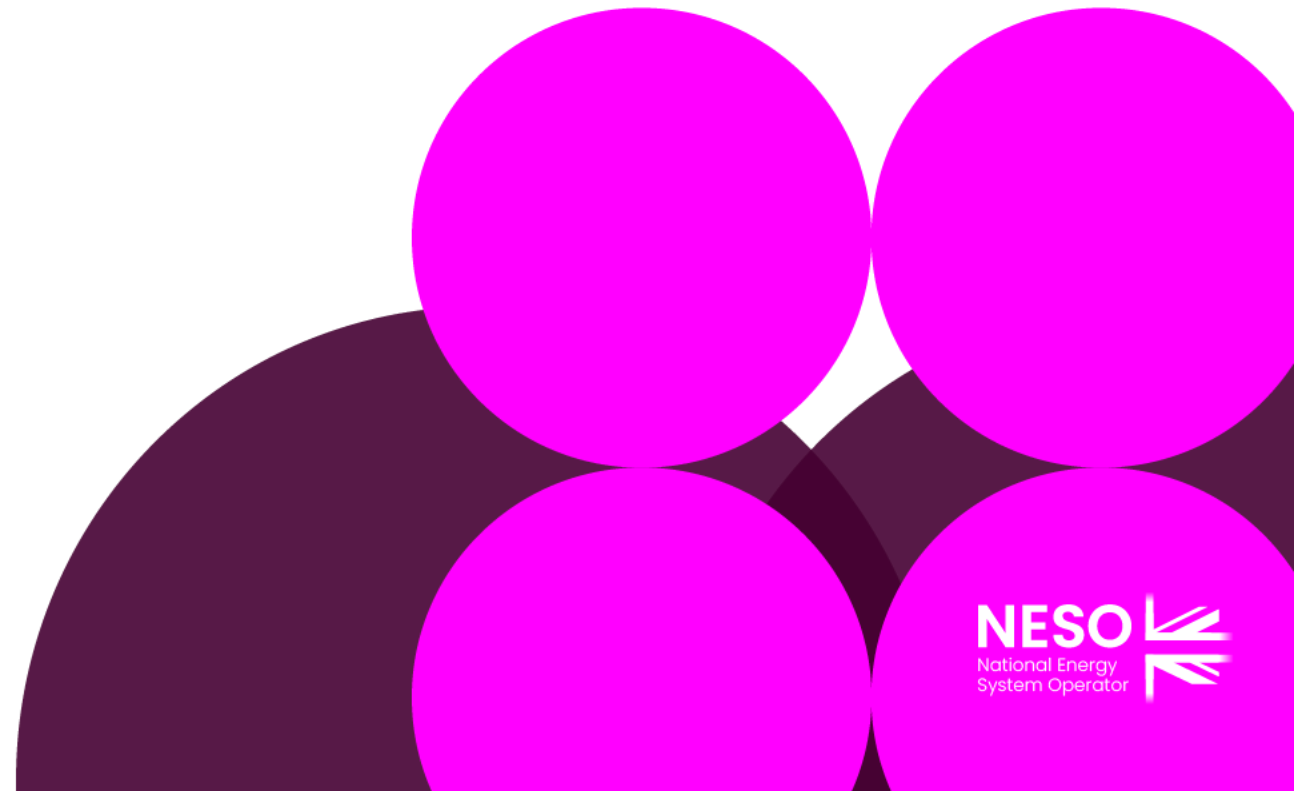
- 29 November 2024
- 13 December 2024
- 20 December 2024
- 10 January 2025

Action Log

Two actions remain open :

- Action 182
- Action 185

Chair's Update



Authority Decisions and Update (as of 23 January 2025)

Decisions Received since 13 December 2024

Modification	Decisions
<u>CMP316</u> TNUoS Arrangements for Co-located Generation Sites	On 13 December 2024 the Authority were unable to form an opinion and have sent back the FMR to Panel for a full review of the legal text for both the Original and WACM1 to be conducted.
<u>CMP405</u> TNUoS Locational Demand Signals for Storage	On 20 January 2025 the Authority rejected the change of governance route from Standard to Urgent.
<u>CMP423</u> Generation Weighted Reference Node	On 20 January 2025 the Authority rejected the change of governance route from Standard to Urgent.
<u>CMP432</u> Locational Onshore Security Factor for TNUoS WidImproveer Tariffs	On 20 January 2025 the Authority granted the change of governance route from Standard to Urgent.
<u>CMP445</u> Pro-rating first year TNUoS for Generators	On 6 December 2024 the Authority rejected the request for Urgency
<u>CMP446</u> Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)	On 22 January 2025 the Authority granted the request for Urgency.

Authority Decisions and Update

Decisions Pending

Modification	Final Modification Report 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	07/02/2025 (previously 29/11/2024)
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	TBC Subject to CMP414 send back
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)'	12/06/2024	24/01/2025 (previously 29/11/2024 and 31/10/2024)
CMP403 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14)'	11/06/2024	31/01/2025 (previously 30/09/2024)
CMP404 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 11)'	11/06/2024	31/01/2025 (previously 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	12/02/2025 (previously 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	12/02/2025 (previously 06/12/2024)

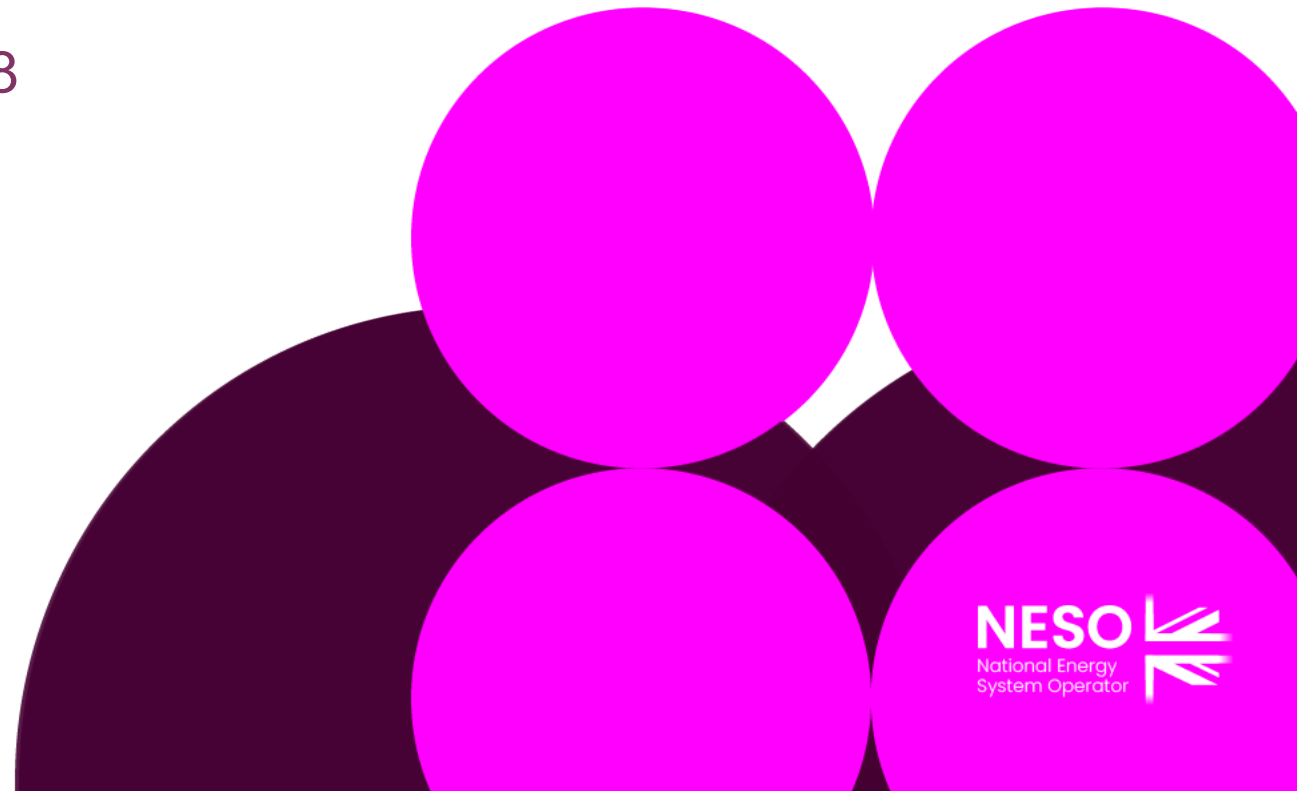
Received Final Modification Reports since 13 December 2024

Modification	Final Modification Report Received	Expected Decision Date
CMP434 'Implementing Connections Reform'	20/12/2024	Q2 2025
CMP435 'Application of Gate 2 Criteria to existing contracted background'	20/12/2024	Q2 2025
CMP441 'Reducing the credit risk of supplying non-embedded hydrogen Electrolysers'	23/12/2024	TBC

New Modification

CMP447: Follow on Modification to CMP428

Paul Mott, NESO



CMP447 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
<ul style="list-style-type: none">• Added the title to ensure the document had a structured starting point.• Reviewed the document to add missing full stops and corrected punctuation where necessary.• Resolved several font inconsistencies.• Tested all attached links to confirm they were functional.• Added comments and suggestions in tracked changes.	<p>Proposer accepted all amendments made by the Code Administrator</p>

CMP447 - Overview

- The modification relates to the user commitment regime, aka CUSC Section 15 or CMP192, and within that, to the attributable works.
- Some generators may in their attributable works, have assigned to their potential cancellation charge, costs of circuit elements that represent onshore boundary reinforcement; elements which are not being built just for them, and which would be built regardless - Potential cancellation charges have to be securitised.
- CMP428 (approved) identified this issue in relation to the offshore network Holistic Network Design (HND), allowing removal of relevant costs from relevant Generators' Attributable Works. To do this it introduced a new concept of "excluded works".
- CMP428 Workgroup contemplated adjusting relevant Generators' "fixes" (of Attributable Works) but decided not to allow that; there were no relevant generators anyway. The Ofgem decision document nonetheless mentioned that this adjustment could have had merit.

CMP447 – Born out of CM094 as well as of CMP428

- A STC modification, CM094, was raised by a TO, proposing to do a similar thing to CMP428, but in relation to the exclusion of ASTI and LOTI works from Attributable Works:
 - Instead of giving effect to the desired change within the CUSC, CM094 sought to make changes outside the CUSC. The definition of “excluded works” within the CUSC would still, had CM094 been passed, have only had the CMP428 text.
 - Ofgem’s decision document on CM094 described it as having merit yet rejected it as it was inconsistent with the CUSC. It seemed as though it could have been better for CM094 to be raised as a CUSC modification, or a variant to CMP428.
- We decided to take to TCMF, a CUSC modification concept to take forward the concept of CM094, and to allow for an adjustment of relevant generators’ “fixes” of their attributable works

Views at TCMF and how they shaped the modification concept

- The concept was presented the 09 January TCMF, suggesting to make the CM094 changes inside the CUSC (LOTI and ASTI works), plus the adjustment to relevant Generators' fixes.
- Concerns were stated that restricting the scope of the modification strictly to ASTI and LOTI works would be too narrow, as LOTI works are only the changes approved to TOs' pre-existing business plans *within* the RIIO-T2 price control term;
- If the TOs' pre-existing business plans that were approved ahead of the RIIO-T2 price control term, contained works that shouldn't properly fall within any pre-commissioning Generator's Attributable Works, the cost of those works would not be excluded from its attributable works by a modification with this narrow, ASTI-and-LOTI, legal text. These stakeholders felt there could be merit in allowing Ofgem to designate the relevant works.
- This concept of Ofgem "designation" of relevant works, has also been mentioned in CMP426 (see slides of its sole Workgroup meeting to date). The modification allows the Workgroup to discuss the appropriate exact formulation/basis of exclusion of circuit elements from attributable works

CMP447 - Addressing the Defect; the benefits

- CMP447 would address the defect that some Users are providing unnecessary securities - creating a potential barrier to entry. This modification will better, we suggest, facilitate CUSC non-charging objective (b), enhancing competition:
 - The change would, if passed, be beneficial to a range of Generators.
 - Some worked examples will be provided to the workgroup – one was already presented to TCMF 09 January.
 - NESO's Connections team provide a caution that will not have resource to do a comprehensive assessment of the number of beneficiaries.

CMP447 – method of adjustment of the fix whilst maintaining the general principle of sanctity of a fix

- The decision document on CMP428 suggested there could be a case of those who have fixed their attributable works, to adjust the fix for Connectees where this modification would have benefited them had they not fixed.
- There were no relevant Generators under CMP428, though.
- We propose this (adjusting the fix) as part of CMP447 for all relevant Generators it applies to, by, if they had fixed their Attributable Works, removing the relevant element of their fix, the rest of the fix remaining as an intact fix at the original value. This could be affected by way of a one-off recalculation for existing Fixed Liabilities.
- The CMP192 principle, which we consider to be important and do not wish to undermine, otherwise remains firm that once fixed, attributable works cannot be adjusted.

CMP447 Impact and Implementation

- The Workgroup stage will work up legal text
- NESO Connections team will support the Workgroup. They will need to discuss with the Workgroup and confirm when the Securities of relevant existing pre-commissioning Generators would be able to be released if the modification were passed

CMP447 Proposer's Request for Process

- We request assessment by a Workgroup
- We hope for an assignation of high priority, so that parties can benefit from the modification with reasonable alacrity – there is no exact deadline for the modification, but relevant stakeholders feel the sooner the better
- We envisage 1 or 2 Workgroup meetings prior to the Workgroup Consultation and one after.

CMP447 Proposed Timeline

Milestone	Date	Milestone	Date
Modification presented to Panel	31 January 2025	Code Administrator Consultation (15 business days)	29 September – 20 October 2025
Workgroup Nominations (15 business Days)	03 February – 24 February 2025	Draft Final Modification Report (DFMR) issued to Panel (5 business days)	20 November 2025
Workgroup 1 - 3	25 March 2025 15 April 2025 15 May 2025	Panel undertake DFMR recommendation vote	28 November 2025
Workgroup Consultation (15 business days)	27 May – 17 June 2025	Final Modification Report issued to Panel to check votes (5 business days)	02 December 2025
Workgroup 4 and Workgroup 5	02 July 2025 21 July 2025	Final Modification Report issued to Ofgem	10 December 2025
Workgroup report issued to Panel (5 business days)	18 September 2025	Ofgem decision	TBC
Panel sign off that Workgroup Report has met its Terms of Reference	26 September 2025	Implementation Date	10 business days after Ofgem decision

CMP447 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect and scope
- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline

Inflight Modification Updates

- **CMP316 Send Back**
- **High Priority Timelines:**
 - CMP419: Generation Zoning Methodology Review
 - CMP426: TNUoS charges for Transmission circuits identified for the HND as Onshore Transmission
 - CMP445: Pro-rating first year TNUoS for Generators
- **Medium Priority Modifications Timelines:**
 - CMP344: Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology
 - CMP402: Introduction of Anticipatory Investment (AI) principles within the User Commitment Arrangements
 - CMP414: CMP330/CMP374 Consequential Modification
 - CMP417: Extending principles of CUSC Section 15 to all Users
 - CMP423: Generation Weighted Reference Node
 - CMP433: Optimised Transmission Investment Cost model (OpTIC)
- **Terms of Reference**
 - CMP442: Introducing the option to fix Generator TNUoS charges
 - CMP445: Pro-rating first year TNUoS for Generators

Authority Send Back Agree Next Steps

CMP316: TNUoS Arrangements for Co-located Generation Sites

On 13 December 2024, Ofgem [sent back](#) the modification for further work and directed Panel to revise and resubmit the CMP316 Final Modification Report.

1. The legal text for the Original Proposal includes a range of formatting and grammatical errors which raise the risk of ambiguity and misinterpretation.
2. The legal text for WACM1 has resolved some of the issues present in the Original Proposal. However, it has also repeated other issues and introduced new formatting, grammatical and mathematical errors which raise the risk of ambiguity and misinterpretation which could prevent the intent of the modification from being realised.

Steps taken since 13 December 2024 :

- The Proposer has been unable to confirm when they will have availability to complete their review of the legal text ahead of sharing with the Workgroup.
- Therefore, a timeline has not been prepared for the January CUSC Panel's approval

CMP316 Authority Send-Back Governance Rules and Asks of Panel

8.23.12 If the **Authority** determines that the **CUSC Modification Report** is such that the **Authority** cannot properly form an opinion on the **CUSC Modification Proposal** and any **Workgroup Alternative CUSC Modification(s)**, or where the **CUSC Modification Proposal** and/or any **Workgroup Alternative CUSC Modification(s)** constitutes an **EBGL Amendment** where the **Authority** requires an amendment to **CUSC Modification Proposal** and/or any **Workgroup Alternative CUSC Modification(s)** in order to approve it, it may issue a direction to the **CUSC Modifications Panel**:

- (a) specifying the additional steps (including drafting or amending existing drafting associated with the **CUSC Modification Proposal** and any **Workgroup Alternative CUSC Modification(s)**), revision (including revision to the timetable), analysis or information that it requires in order to form such an opinion; and
- (b) requiring the **CUSC Modification Report** to be revised and to be re-submitted.

8.23.13 If a **CUSC Modification Report** is to be revised and re-submitted in accordance with a direction issued pursuant to Paragraph 8.23.12, it shall be re-submitted as soon after the **Authority's** direction as is appropriate, (and in the case of an **EBGL Amendment** within 2 months), taking into account the complexity, importance and urgency of the **CUSC Modification Proposal** and any **Workgroup Alternative CUSC Modification(s)**. The **CUSC Modifications Panel** shall decide on the level of analysis and consultation required in order to comply with the **Authority's** direction and shall agree an appropriate timetable for meeting its obligations. Once the **CUSC Modification Report** is revised, the **CUSC Modifications Panel** shall carry out its **CUSC Modifications Panel Recommendation Vote** again in respect of the revised **CUSC Modification Report** and re-submit it to the **Authority** in compliance with Paragraphs 8.23.4 to 8.23.6.

Panel to agree next steps following send-back on 31 January 2024:

NOTE that Ofgem are asking the Final Modification Report and Legal Text to be updated

AGREE whether or not this needs to be assessed by a Workgroup

AGREE Workgroup's Terms of Reference (if Panel determine a Workgroup is needed)

AGREE whether or not (following the assessment by the Workgroup) a Code Administrator Consultation is needed to be run before it is re-presented to Panel for Recommendation Vote

CMP419 Generation Zoning Methodology Review Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	05 December 2024	20 February 2025	11 March 2025	30 September 2025	01 April 2026
New timeline	18 September 2025	20 November 2025	10 December 2025	30 September 2026	01 April 2027

Rationale: Additional time required for analysis to be undertaken by NESO revenue. Sufficient time has been planned between Workgroups to allow actions and analysis tweaks to be completed, as this was a major blocker in Workgroups going ahead prior to the Workgroup meeting hiatus. This modification must be submitted to the Authority in line with CMP426; the Proposers of both modifications are in agreement with the timelines submitted to the Panel.

Workgroups Remaining: 9

Ask of Panel: Agree revised timeline

CMP426 TNUoS charges for Transmission circuits identified for the HND as Onshore Transmission Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	18 September 2025	20 November 2025	10 December 2025	30 September 2026	01 April 2027
New timeline	18 September 2025	20 November 2025	10 December 2025	30 September 2026	01 April 2027

Rationale: No amendments to the timeline. The current timeline aligns with CMP419 where CMP426 must be submitted to the Authority together with CMP419. The Proposers of both modifications are in agreement with the timelines submitted to the Panel.

Workgroups Remaining: 8

Ask of Panel: Agree revised timeline

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CMP445 Pro-rating first year TNUoS for Generators Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	22 May 2025	17 July 2025	04 August 2025	30 September 2025	01 April 2024
New timeline	20 February 2026	17 April 2026	11 May 2026	30 September 2026	01 April 2027

Rationale: The timeline has been amended to reflect that implementation will be in 2027 rather than 2026. The Proposer is in agreement with the amended timeline being submitted to Panel as the Modification was not granted urgency by the Authority.

Workgroups Remaining: 10

Ask of Panel: Agree revised timeline

CMP344 Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	30 July 2024	19 September 2024	09 October 2024	TBC	01 April 2025
New timeline	30 July 2024	24 April 2025	14 May 2025	30 September 2025	01 April 2026

Rationale: CMP344 received a second send back by the Authority on 12 February 2024 and was presented at the February CUSC Panel. Panel agreed that CMP344 requires no further Workgroup Consultation or Workgroup Report, and no further Workgroup Alternatives can be raised. Following the assessment by the Workgroup, a Code Administrator Consultation is needed to be run before it is re-presented to Panel for Recommendation

Workgroups Remaining: 1

Ask of Panel: Agree revised timeline

CMP414 CMP330/CMP374 Consequential Modification

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	N/A	20 July 2023	10 August 2023	08 July 2024	N/A
New timeline	18 August 2025	20 November 2025	10 December 2025	TBC	6 months following Authority decision (in line with CMP330/CMP374 original solution)

Rationale: CMP414 was sent back by the Authority on 08 July 2024. The send back letter outlined that there were deficiencies within the FMR preventing the Authority from forming a decision. At the Panel held on 23 August 2024, the Panel directed that a Workgroup should be formed to address the points raised in the send back letter, as such seeking a timeline approval from the CUSC Panel.

Workgroups Remaining: 8

Ask of Panel: Agree revised timeline

CMP417 Extending principles of CUSC Section 15 to all Users

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	20 June 2024	15 August 2024	05 September 2024	TBC	10 BD after decision
New timeline	18 September 2025	20 November 2025	10 December 2025	TBC	10 BD after decision

Rationale: Proposer agreed that multiple Workgroups are required to close out existing actions and outline changes in Proposal prior to Workgroup Consultation.

Workgroups Remaining: 7

Ask of Panel: Agree revised timeline

CMP423 Generation Weighted Reference Node Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	21 November 2024	23 January 2025	12 February 2025	30 September 2025	01 April 2026
New timeline	18 September 2025	18 November 2025	09 December 2025	30 September 2026	01 April 2027

Rationale: The timeline for CMP423 has been adjusted to reflect the Authority decision not to grant urgency, the timeline allows for sufficient time for the Workgroup to discuss and refine the solution.

Workgroups Remaining: 8

Ask of Panel: Agree revised timeline

CMP433 Optimised Transmission Investment Cost model (OpTIC)

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	23 October 2025	22 January 2026	10 February 2026	31 March 2027	01 April 2028
New timeline	19 February 2026	16 April 2026	07 May 2026	31 August 2027	01 April 2028

Rationale: There is a five-month delay from the previous timeline for CMP443, this is to allow sufficient time between Workgroup meetings for outputs to be completed. The delay has no impact to the decision or implementation date. The first Workgroup meeting is due to be held in February 2025.

Workgroups Remaining: 13

Ask of Panel: Agree revised timeline

CMP442: Introducing the option to fix Generator TNUoS charges

Request to change Terms of Reference

The Workgroup would like reflect the following within their Terms of Reference:

Amended Workgroup Terms of Reference

- d) Consider if limitations should be placed on at what point in time generators should be able to take the option to fix. I.e. within the year.
- e) Consider how the arrangements can be designed to prevent users from “gaming” the system, given the significant current grid capacity shortage and the steps in connection reform.
- f) Consider the impact on the Adjustment and whether it should also be fixed, at least in the short term or until a limit of users or capacity fixed is reached.
- g) Consider whether local circuit charges could also be fixed.
- h) Consider if it is appropriate to be able to lock in negative charges.
- i) Consider the scenario of what happens to the fix if an additional technology is co-located at a site.
- j) Consider the impact on generators who do not fix their TNUoS across a range of scenarios and any distributional impact on consumers.
- k) Consider interactions with CMP316 regarding co-location (subject to Ofgem modification approval)
- l) Consider possible impacts on the TDR

CMP442- the asks of Panel

- **AGREE** the additional points within Terms of Reference

CMP445: Pro-rating first year TNUoS for Generators

Request to change Terms of Reference

The Proposer would like reflect the following within their Terms of Reference:

Workgroup Term of Reference	
a)	Consider EBR implications
b)	Consider applicability to negative charging zones given the different charging basis for those users – ie based on actual output in months November to February.
c)	Consider whether the solution should also be applied to users who reduce TEC within year, such as when closing a generating station
d)	Consider the timing of the recovery of any under-recovery in charging year $t[0]$ – is it to be recovered in charging year $t[0]$ (via a 'mid-year tariff change?) or $t[+1]$ or $t[+2]$?
e)	Consider from which class or classes of User the recovery should be made by: (i) generators only, (ii) demand only or (iii) both generation and demand

CMP445- the asks of Panel

- AGREE** the additional points within Terms of Reference

CMP446: Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)

The Workgroup would like reflect the following within their Terms of Reference :

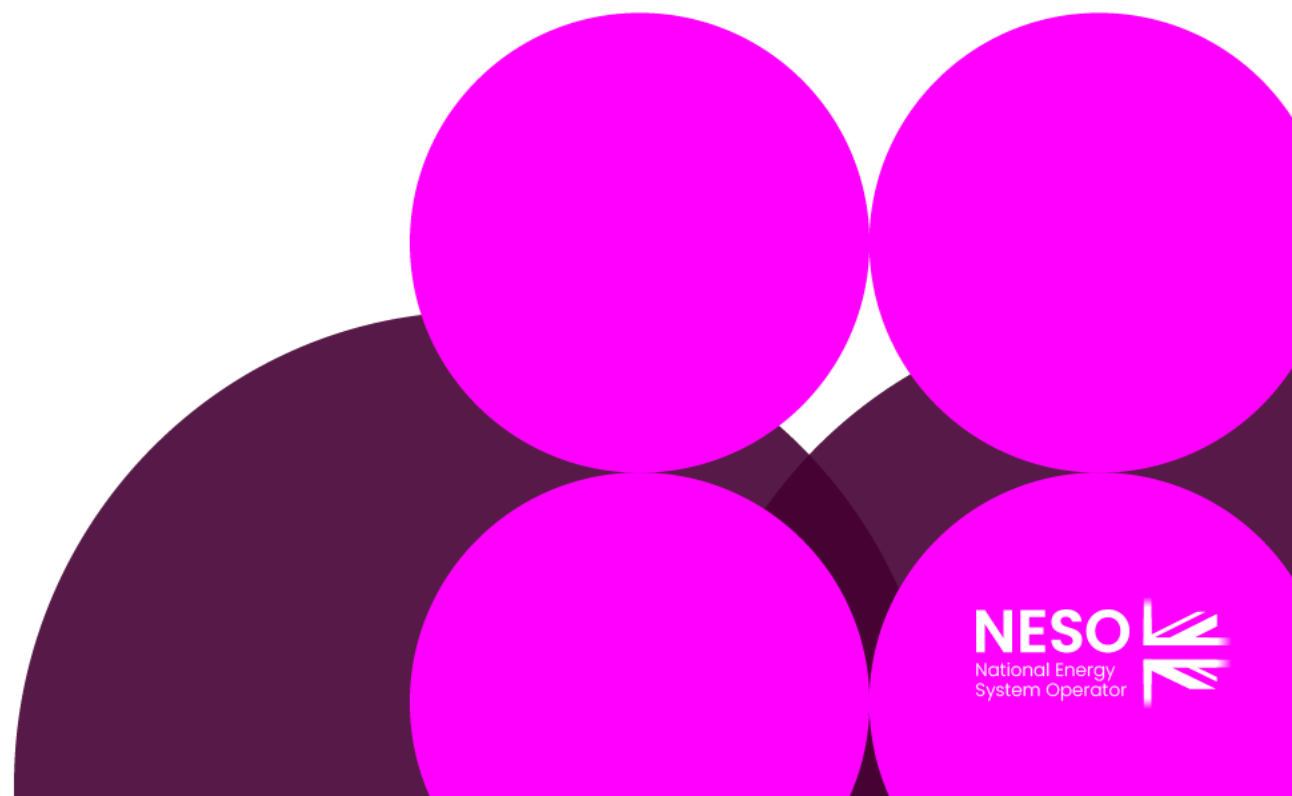
Workgroup Term of Reference	
a)	Consider EBR implications
b)	Consider the scope of work identified and whether this is achievable within the timeframe outlined in the Ofgem Urgency decision letter.
c)	Consider the legal and practical implementation of this modification alongside CMP434/CMP435 and any other relevant in flight CUSC modifications.
d)	Consider any cross-code impacts.
e)	Consider data and any other requirements from DNOs to implement
f)	Consider how CMP446 would be compatible with the requirement for the NESO acting in a non-discriminatory manner
g)	Consider how CMP446 would be compatible with the requirement for harmonised rules for generator connections in GB.
h)	Consider what the MW capacity relates to: for example, export capacity or installed capacity or developer capacity?
i)	Consider if the change applies only to new projects (up to 5MW) or also to existing D connected projects that increase their capacity by up to 5MW (say from e.g., 4MW to 6MW), and projects that reduce to be below the threshold.
j)	Consider any legal text interactions with CMP434 and CMP435.
k)	Consider potential for interlinked impact of cumulative/aggregated <5MW projects which would otherwise breach the proposed 5MW threshold.
l)	Consider the interaction with Technical (Planning) limits and Distribution (DNO) managed Active Network Management (ANM) schemes

CMP445- the asks of Panel

•**AGREE** the additional points within Terms of Reference

Panel Tracker

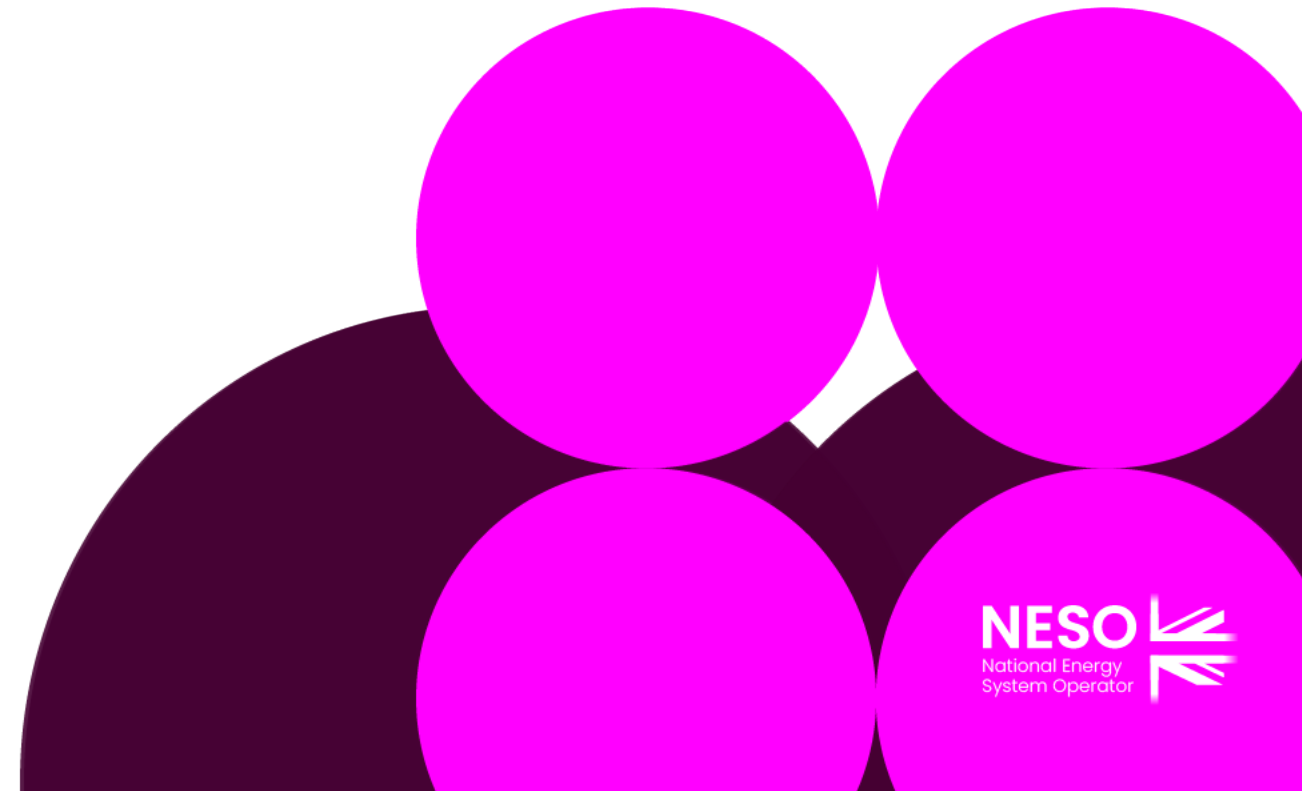
Milly Lewis, Code Administrator



Draft Final Modification Report

CMP443: Removing references to “Fax” or “Facsimile” within the CUSC

Milly Lewis, Code Administrator



Summary of Solution

- New definitions of “Designated Information Exchange System” and “Electronic Communication Platform” will be introduced to allow for a phased approach across from the fax machine to the new platform for Users.
- The solution will also utilise the opportunity to replace references to fax within the codes that are not related to Control Room activities and have now been superseded by other forms of communication e.g., email.
- Reduce dependencies on other projects wherever possible.
- Security by design.
- Re-use / leverage existing platforms and technologies where appropriate .
- Adaptable for future developments e.g. the Open Balancing Platform (OBP).
- Provide all parties with the delivery / receipt assurance required.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 16 December 2024 to 17 January 2025 and received 1 non – confidential response. Key points were:

- The respondent believes that CMP443 better facilitates applicable objectives a), b) and d).
- The respondent stated that the proposed solution will improve efficiencies in communication between Users and NESO Control Centre by replacing outdated technology with future proofed electronic solution.
- The respondent supports the proposed implementation approach.
- Agrees with Proposers assessment that CMP443 impacts the EBR Article 18 terms and conditions.
- Believes that the proposed solution has minimal interactions with the EBR Article 18 terms and conditions.

No legal text issues identified

CMP443 Asks of Panel

- **NOTE** that this Modification does impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- Do you have any comments as to whether or not the proposed changes concur with the EBR Article 3 Objectives?
- **VOTE** whether or not to recommend implementation
- **NOTE** next steps

CMP443 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 business days)	03 February 2025
Submission of Final Modification Report to Ofgem	11 February 2025
Ofgem decision date	TBC
Implementation Date	10 working days after Authority decision

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

1. This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
6. facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
7. facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.

Discussions on Prioritisation

- AGREE where new Modifications that need Workgroups are placed in the prioritisation stack
- CARRY OUT deep-dive assessment of all modifications

Standing Groups

Updates on all standing groups relevant to CUSC panel e.g. potential for future governance changes or modifications

TCMF – NESO Panel Member

- Previous meeting – 09 January 2024 [Meeting materials and Headline Report](#)
- Next meeting – 06 February 2025

European Updates

Updates on all European developments relevant to CUSC panel e.g. potential for future governance changes or modifications

- European Code Development – Nadir Hafeez
- Joint European Stakeholder Group – Garth Graham
 - Previous meeting – 14 January 2025 [Meeting materials and Headline Report](#)
 - Next meeting – 11 February 2025

Updates on other industry codes

13 November 2024 SQSS [Panel Papers and Headline Report](#)

11 December 2024 STC [Panel Papers and Headline Report](#)

12 December 2024 Grid Code Review [Panel Papers and Headline Report](#)

13 December 2024 CUSC [Panel Papers and Headline Report](#)

20 December 2024 Special CUSC [Panel Papers and Headline Report](#)

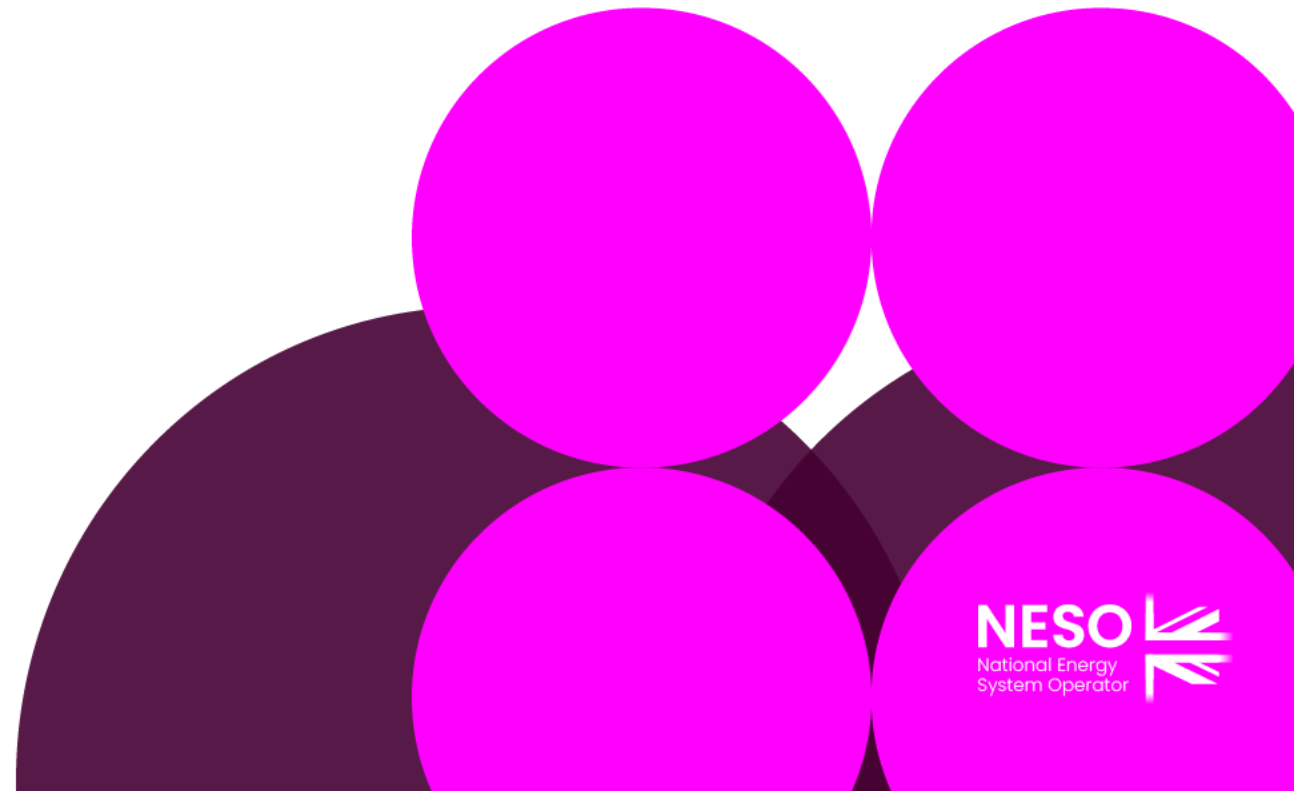
20 December 2024 Special STC [Panel Papers and Headline Report](#)

10 January 2025 Special CUSC [Panel Papers and Headline Report](#)

17 January 2025 Special CUSC [Panel Paper and Headline Report](#)

Relevant Interruptions Claim Report

(January, April, July, October)



Code Administrator Update

Any other business

Activities ahead of the next Panel Meeting

Transmission Charging Methodologies Forum	06 February 2025
Modification Proposal Deadline for February Panel	13 February 2025
Papers Day	20 February 2025
Panel Meeting	28 February 2025 Teams

Close

Trisha McAuley OBE
Independent Chair