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Nadir Hafeez  
Industry Codes Manager  
Ofgem  
**By email**

27 January 2017

Dear Nadir

**CUSC Modifications Panel Views on Urgency for CMP275 ‘Transmission generator benefits in the provision of ancillary and balancing services – levelling the playing field.’**

On 18 January 2017, UK Power Reserve Ltd raised CMP275, with a request that it be treated as an Urgent CUSC Modification Proposal. The CUSC Modifications Panel ("the Panel") considered CMP275 and the associated request for urgency at the CUSC Modifications Panel meeting held on 27 January 2017. This letter sets out the views of the Panel on the request for urgent treatment and the procedure and timetable that the Panel recommends.

CMP275 seeks that a principle of financial mutual exclusivity is introduced to prevent BM units from accessing multiple sources of duplicate and overlapping revenue from ancillary services on the same asset.

**Request for Urgency**

The Panel considered the request for urgency with reference to Ofgem's Guidance on Code Modification Urgency Criteria. The Panel agreed unanimously that CMP275 does not meet these criteria and **should not** be treated as an Urgent CUSC Modification Proposal.

The Panel concluded that the Proposal related to cyclical processes relating to revenue and charges, this in itself could relate to all charging modifications and could not be considered to be a truly imminent issue. The Panel agreed CMP275 will require careful consideration and is potentially more complex than envisaged by the Proposer.

In the discussion, members of the Panel noted a few concerns over granting urgency, set out below;

- Using an urgent process holds an inherent risk of unintended consequences, which may arise due to there being insufficient time for all aspects of a Modification Proposal to be considered;
- There are complex issues identified by the Panel that need to be considered by a Workgroup.

**Procedure and Timetable**

Having decided to not recommend urgency to Ofgem, the Panel discussed an appropriate process for CMP275. The Panel agreed that the CMP275 proposal would require Workgroup consideration due to the potential implications of the proposal against the current market conditions.

The Panel agreed that CMP275 subject to Ofgem's decision on urgency should follow the attached Code Administrators proposed standard timetable (Appendix 1). This was supported unanimously by the Panel. For information, Appendix 2 details the Urgent timetable reviewed and not supported by the Panel.

Please do not hesitate to contact me if you have any questions on this letter or the proposed process and timetable. I look forward to receiving your response.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Toms', written in a cursive style.

Michael Toms  
CUSC Panel Chair

## Appendix 1 – Recommended Standard Workgroup Timetable

The following standard timetable is indicative for CMP275 as per the recommendation of the Code Administrator and the CUSC Panel.

18 January 2017	CUSC Modification Proposal and request for Urgency submitted
27 January 2017	CUSC Panel meeting to consider proposal and urgency request
27 January 2017	Panel's view on urgency submitted to Ofgem for consultation
27 January 2017	Request for Workgroup members (10 Working days) (responses by 10 February 2017)
3 February 2017	Ofgem's view on urgency provided (5 Working days)
w/c 13 February 2017	Workgroup meeting 1
w/c 6 March 2017	Workgroup meeting 2
w/c 27 March 2017	Workgroup meeting 3
10 April 2017	Workgroup Consultation issued (15 days)
5 May 2017	Deadline for responses
w/c 15 May 2017	Workgroup meeting 4
w/c 5 June 2017	Workgroup meeting 5 (agree WACMs and Vote)
22 June 2017	Workgroup report issued to CUSC Panel
30 June 2017	CUSC Panel meeting to approve WG Report

### Post Workgroup modification process

3 July 2017	Code Administrator Consultation issued (15 Working days)
24 July 2017	Deadline for responses
31 July 2017	Draft FMR published for industry comment (5 Working Days)
8 August 2017	Deadline for comments
17 August 2017	Draft FMR circulated to Panel
25 August 2017	Panel meeting for Panel recommendation vote
31 August 2017	FMR circulated for Panel comment (3 Working day)
5 September 2017	Deadline for Panel comment
8 September 2017	Final report sent to Authority for decision
13 October 2017	Indicative Authority Decision due (25 working days)
20 October 2017	Implementation date

## Appendix 2 – Not Recommended - Urgent Workgroup Timetable

The following Urgent timetable is indicative for CMP275 and is not a recommendation of the Code Administrator and the CUSC Panel.

18 January 2017	CUSC Modification Proposal and request for Urgency submitted
27 January 2017	CUSC Panel meeting to consider proposal and urgency request
27 January 2017	Panel's view on urgency submitted to Ofgem for consultation
27 January 2017	Request for Workgroup members (5 Working days) (responses by 3 February 2017)
3 February 2017	Ofgem's view on urgency provided (5 Working days)
w/c 6 February 2017	Workgroup meeting 1
w/c 20 February 2017	Workgroup meeting 2
w/c 6 March 2017	Workgroup meeting 3
13 March 2017	Workgroup Consultation issued (10 days)
27 March 2017	Deadline for responses
30 March 2017	Workgroup meeting 4
w/c 3 April 2017	Workgroup meeting 5 (agree WACMs and Vote)
20 April 2017	Workgroup report issued to CUSC Panel
28 April 2017	CUSC Panel meeting to approve WG Report

### Post Workgroup modification process

28 April 2017	Code Administrator Consultation issued (5 Working days)
8 May 2016	Deadline for responses
11 May 2017	Draft FMR published for industry comment (3 Working Days)
16 May 2017	Deadline for comments
18 May 2017	Draft FMR circulated to Panel
26 May 2017	Panel meeting for Panel recommendation vote
9 June 2017	FMR circulated for Panel comment (3 Working day)
14 June 2017	Deadline for Panel comment
16 June 2017	Final report sent to Authority for decision
7 July 2017	Indicative Authority Decision due (15 working days)
14 July 2017	Implementation date