Headline Report – 29 March 2019

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

## The CUSC Panel Headline Report is produced after every CUSC Panel and aims to provide an overview of the key decisions made. Minutes for this meeting will be published separately.

## Approval of February Minutes

Panel Members discussed the panel meeting minutes from February. Requested amendments will be made before these are published.

## Prioritisation Stack

The latest version of the Workgroup Prioritisation Stack is attached in Annex 1. There were no additions this month.

New Modifications

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| There were two new modifications discussed this month:  **New Non- Urgent Modifications**   * **CMP313** – Critical Friend review period for submission of new modifications   Panel, by majority vote, approved for this to follow the self-governance route and proceed straight to Code Administrator Consultation (CAC).   * **CMP314** – Updating the CUSC to align Power Available with the Grid Code definition for Power Park Modules   Following some discussions, the Panel recommended that the decision on the governance route CMP314 should follow should be deferred until the next Panel meeting in April, to allow for some additional comments and questions to be addressed |  |

## Authority Decision

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| The Authority approved the urgent modification CMP312 Correcting erroneous legal text in Section 14 following implementation of CMPs 264/5 (consequential) and will be effective from the 1 April 2018 . |  |

## In flight modifications

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| **CMP280/281** – Workgroup report to return to Panel in May 2019 for Workgroup to consider the outputs of the Balancing Services Charges Taskforce. Next workgroup 11 April.  **CMP286** – A further Request For Information is expected to be issued in April 2019.  **CMP287** – The Panel advised the Workgroup Consultation should be progressed for CMP287; and will be issued in April 2019.  **CMP288 / CMP289** – Workgroup Consultation Closed 31 January 2019; an extension was granted for the workgroup report to return to Panel in May 2019 to account for all the potential WACMs and legal text development.  **CMP291** –Following issues with quoracy in March a Workgroup is to be arranged in April. Extension granted to June 2019.  **CMP292** –Workgroup consultation closed 21 January 2019. Following issues with quoracy in March a Workgroup is to be arranged as soon as possible.  **CMP295** – Following issues with quoracy in March Panel granted an extension for CMP295 until May. This is the highest modification on the prioritisation stack and therefore is being prioritised to be progressed by the Code admin team.  **CMP298** – Next workgroup to be held 1 March 2019.  **CMP300** – Second workgroup held on 22 March; workgroup consultation to be issued.  **CMP301** – Draft Final Modification Report to be presented to Panel and an extraordinary Panel to be arranged on 4 April to approve.  **CMP304** - On track, next workgroup to be held in April to finalise the Workgroup Report.  **CMP306** – Second workgroup convened in March; workgroup consultation to be issued in April  **CMP308** – Fourth Workgroup held 28 March 2019; workgroup consultation to be issued in April  \*CMP271, CMP274, CMP276 and CMP307 are all on hold pending the outcome of the TCR / SCR  CMP302 was withdrawn by the proposer and is now closed |  |

## Panel Vote

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| **CMP303** – Panel carried out their Recommendation vote. There was no majority vote for the original or any of the WACMs. Four Panel members preferred the original, one Panel member preferred WACM1, one Panel member preferred WACM5, one Panel member preferred WACM8 and two Panel members preferred the baseline. Ofgem will shortly be issued the Final Modification Report for a decision. |

## Questions or feedback?

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|  | **Code Administrator Representative:** Rachel Hinsley, *Code Administrator*  **Panel Secretary:** Shazia Akhtar, *Code Administrator*  **Email:** [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com) |

Annex 1: Prioritisation stack

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| Section 8: 8.19.1.(e) makes the following provision for the Panel and states “*Having regard to the* ***complexity, importance and urgency*** *of particular CUSC Modification Proposals, the CUSC Modifications Panel may determine the priority of CUSC Modification Proposals and may (subject to any objection from the Authority taking into account all those issues) adjust the priority of the relevant CUSC Modification Proposal accordingly”* | |
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| **Complexity** | **The modification is viewed as being resource intensive and will most likely require a higher than average number of workgroups to conclude the process. Additionally the modification defect is viewed to have implications for many different areas of the energy market which need to be taken into consideration throughout the process.** |
| **Importance** | **The perceived value & risk associated with the proposed modification. The value / risk could be considered from a number of different perspectives i.e. financial / regulatory  / licence obligations both directly for customer and end consumers more generally.** |
| **Urgency** | **A modification which requires speedy consideration within the code governance process, both complexity and importance should be factors considered in evaluating urgency as well as the timescales for implementation within the respective code.** |

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| Position & Movement | Date Modification Raised | Modifications at Workgroup Stage | Panel Comments on Prioritisation | Cross Code Impacts | Date of First WG | WG Development  [WG already held] | WG Report submission | Expected FMR Date to Authority |
| 1 | 27/04/2018 | **CMP295 ‘**Contractual Arrangements for Virtual Lead Parties (Project TERRE)’ | Prioritisation based on alignment to European Law changes/timetables; requirement for decision by April |  | 12 July 2018 | **[3]** up to March 2019 | **Timeline agreed:** May 2019 | June 2019 |
| 2 | 19/07/2018 | **CMP303** 'Improving local circuit charge cost-reflectivity' | Priority based on a need for a decision date by summer 2019. An early Workgroup will be required.  Raised up the prioritisation stack to account for the auction date; determined by Secretary of State |  | 25 September 2018 | 7 up to March 2019 | **Timeline agreed:**  February 2019 | **Timeline agreed:**  April 2019 |
| 3 | 15/02/2019 | **CMP311** 'Reassessment of CUSC credit requirements for Suppliers, specifically for “User Allowed Credit” as defined in Section 3, Part III section 3.27 of the CUSC' | Priority based on substantial changes for Suppliers and Consumers.   Early conclusion will help parties to understand any requirements on them |  | 9 April 2019 | TBC | TBC | TBC |
| 4 | 15/02/2018 | **CMP291** ‘The open, transparent, non-discriminatory and timely publication of the harmonised rules for grid connection (in accordance with the RfG, DCC and HVDC) and the harmonised rules on system operation (in accordance with the SOGL) set out within the Bilateral Agreement(s) exhibited in the CUSC.’ | Prioritisation based on alignment to European Law changes/timetables |  | 12 July 2018 | **[2]** up to December 2018 | **Timeline agreed:** June 2019 | August 2019 |
| 5 | 22/06/2017 | **CMP280**  ‘Creation of a New Generator TNUoS Demand Tariff which Removes Liability for TNUoS Demand Residual Charges from Generation and Storage Users & **CMP281** ‘Removal of BSUoS Charges From Energy Taken From the National Grid System by Storage Facilities' | High Priority because of clear impact for users and a known policy issue.  Complexity of alternative (raised during WG Consultation) has resulted in an extended timeline to October. | Yes | 4 August 2017 | **[14]** up to March 2019 | **Timeline agreed:** May 2019 | July 2019 |
| 6 | 19/10/2018 | **CMP308** Removal of BSUoS charges from Generation | High impact of BSUoS Payers, Impact on BSUoS recovery, Consumer Impacts |  | 18 December 2018 | 4 up to April 2019 | **Timeline agreed:** June 2019 | August 2019 |
| 7 | 10/10/2017 | **CMP287** ‘Improving TNUoS Predictability through Increased Notice of Inputs Used in the TNUoS Tariff Setting Process’ | Priority based on a need for a quick decision date to have an effect on tariff setting timetables |  | 18 January 2018 | **[5]** up to October 2018 | **Timeline agreed:** May 2019 | July 2019 |
| 8 | 10/10/2017 | **CMP286** ‘Improving TNUoS Predictability through Increased Notice of the Target Revenue used in the TNUoS Tariff Setting Process’ | Priority based on a need for a quick decision date to have an effect on tariff setting timetables |  | 18 January 2018 | **[5]** up to October 2018 | **Timeline agreed:** May 2019 | July 2019 |
| 9 | 12/02/2018 | **CMP288’** Explicit Charging Arrangements for Customer Delays’ and **CMP289**’ Consequential change to support the introduction of explicit charging arrangements for customer delays and backfeeds via CMP288’ | Priority based on Consumer benefits.  Quite a degree of complexity involved, extended timeline to December2018. |  | 16 May 2018 | **[7]** up to February 2019 | **Timeline agreed: May** 2019 | Aug 2019 |
| 10 | 23/08/2018 | **CMP304** 'Improving the Enhanced Reactive Power Service by making it fit for purpose' | High Materiality |  | 27 Sep 2018 | **[4]** to March 2019 | **TBC** | **TBC** |
| 11 | 23/04/2019 | **CMP298** - Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation | Priority based on assessment against other modifications. A SOW process is also already in place, so there is no immediate need for any urgency. |  | 02 October 2018 | [3] March 2019 | **Proposed:**  TBC | **Proposed:**  TBC |
| 12 | 20/09/2018 | **CMP306 -** Align annual connection charge rate of return at CUSC 14.3.21 to price control cost of capital | Materiality, Clear solution, Link to having a decision bu Autumn 2019 to give time for consideration in regards to publication of charging statement. |  | 31 January 2019 | 2 up to April 2019 | TBC | TBC |
| 13 | 15/02/2018 | **CMP292** ‘Introducing a Section 8 cut-off date for changes to the Charging Methodologies | Priority based on when a decision will be needed for the tariff setting process |  | 02 October 2018 | September 2018 - January 2019 | **Proposed:**  April 2019 | **Proposed:**  May 2019 |
| 14 | 27/06/2018 | **CMP300** 'Cost reflective Response Energy Payment for Generators with low or negative marginal costs' | Low materiality |  | 15 February 2019 | September 2018 - January 2019 | **Proposed:**  May 2019 | **Proposed:**  July 2019 |