

## Headline Report – 28 February 2020

### 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 Panel Minutes

The meeting minutes from the Panel on 31 January 2020 were approved at the CUSC Panel meeting on 28 February 2020 subject to minor comments from the Panel being incorporated. These will be uploaded to our website.

### Prioritisation Stack

The latest version of the Prioritisation Stack is set out in the Modification Tracker, which will be published w/c 2 March 2020.

The November 2019 Panel agreed to split the prioritisation stack into 3 tranches which were:

- **Tranche 1 - TCR Modifications and High Priority Charging Modifications;**
- **Tranche 2 - Modifications to be progressed in Q1/Q2 2020 where gaps arise.** Modifications CMP311, CMP326, CMP316 and CMP304 inclusive were placed in this Tranche; and
- **Tranche 3 - Modifications to be progressed from Q2 2020.**

We also agreed that Panel would look to prioritise the Modifications within Tranche 3 at the February 2020 Panel or a separate meeting in March if that was not possible. However, at the February 2020 Panel, Panel agreed that it was too early to do this as we are yet to progress the Modifications in Tranche 2 given the urgency and numbers of Modifications in Tranche 1. You will note from the TCR Project Initiation Document (PID)<sup>1</sup>, which was published on 20 December 2019, that we plan to send the TCR Modifications to Ofgem in early June 2020. Therefore, prior to this date, there will be limited opportunities to progress the Modifications in Tranche 3 and do not expect any Workgroups to be held for those Modifications until June 2020.

We will keep this position under review and Proposers are entitled to ask Panel to consider moving their Modification Proposal up the prioritisation stack by first contacting the Code Administrator; however, the Code Administrator will, as promised at November's Panel, issue the request for Workgroup nominations for CMP328, CMP330 and CMP331 in early March 2020.

At February 2020's Panel we did insert CMP337/338 into the prioritisation stack within Tranche 2. This is for two reasons:

- The finalisation of this change to the CUSC would be needed prior to generator commitments (Final Investment Decision) being made. These commitments are needed prior to summer 2020 to support the Final Needs Case for the proposed Shetland transmission project; and

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<sup>1</sup> <http://www.chargingfutures.com/media/1390/tcr-joint-eso-dno-pid-v10.pdf>

- Ofgem have made clear that this they will decide on CMP337/338 at the same time as CMP303 and CMP320 - both of these are already with Ofgem for decision.

## New Modifications

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Two Modification Proposals were re-presented for consideration:

### **CMP337 – Impact of DNO Contributions on Actual Project Costs and Expansion Factors and CMP338 - Impact of DNO Contributions on Actual Project Costs and Expansion Factors – New Definition of Cost Adjustment**

CMP337 seeks to allow Distribution Network Operators to contribute to the cost of new transmission assets, and allow this contribution to be netted off from the Transmission Owner’s actual project costs in a way which maintains the exact pro-rating of costs between local and wider TNUoS charge elements as is currently in place. CMP338 introduces a new definition of “Cost Adjustment” to give effect to CMP337.

At January 2020 Panel meeting, Panel asked for clarity on a number of issues (notably the impact on wider TNUoS) before determining whether this should proceed to Workgroup or Code Administrator Consultation. At February 2020 Panel meeting, Panel determined that CMP337/338 should proceed to Workgroup and agreed the Terms of Reference for the Workgroup.

**CMP337** documentation can be located via the following link:

<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/impact-dno-contributions-actual-project>

**CMP338** documentation can be located via the following link:

<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/cmp338-impact-dno-contributions-actual>

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## New / Pending Authority Decision

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CMP322 decision was received 5 February 2020 and implementation will be 4 April 2020.

On 6 February 2020, Ofgem rejected Panel's request for Urgency on CMP317/CMP327, CMP332 and CMP333. However, on 19 February 2020, Ofgem approved Panel's request for Urgency on CMP334, CMP335 and CMP336.

CMP292 decision was expected 20 September 2019 but Ofgem decision will now be no earlier than summer 2020.

CMP303, CMP306, CMP280, CMP281 and CMP319 decisions were expected before the end of 2019.

- Ofgem advised that the related STC issue has been resolved and they are minded to approve this by end March 2020;
  - Decisions on CMP281 and CMP319 are now expected at the end of March 2020;
  - Ofgem have advised that the decision on CMP280 will be in Q2 2020 now as they believe this will be superceded by CMP334 (which defines Final Demand); and
  - Ofgem believe CMP303, CMP320 and CMP337 are all linked and propose to decide on them together in ~ June 2020. February Panel challenged why CMP303 and CMP320 (which are both already with Ofgem for decision) could not be decided first.
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## In flight Modifications

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Please refer to latest Modification Tracker for an update on each in flight Modification. This is published monthly at <https://www.nationalgrideso.com/codes> and will be published w/c 2 March 2020.

Proposer has sought withdrawal of CMP274. As no-one wished to support CMP274 in place of the original Proposer by 5pm on 24 February 2020, we sought agreement (under CUSC 8.16.10(b)) from February 2020 Panel to withdraw this Modification - Panel agreed to withdraw. A further period of 5 Business Days will be given to industry for support to be indicated and if no support is received, CMP274 will be formally withdrawn.

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## Draft Final Modification Reports

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There were no Draft Final Modification Reports presented to the CUSC Panel.

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## Workgroup Reports

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There were no Workgroup Reports presented to the CUSC Panel.

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## Questions or feedback?

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