

# CUSC Special Panel Headline Report

## 6 August 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.

### Draft Final Modification Reports

#### **CMP350 - Changes to the BSUoS Covid Support Scheme**

CMP350 seeks to change the Covid BSUoS Support Scheme introduced by CMP345 by:

- Reducing the current £15/MWh cap to £5/MWh;
- Extending its application from 31 August 2020 to 30 September 2020; and
- Introducing a limit of £100m for the amount of deferred Covid related BSUoS costs.

Seven other solutions have been developed by the CMP350 Workgroup, which build on the CMP350 original proposal by varying either the BSUoS price cap or the expiry date of the current Covid BSUoS Support Scheme.

The CUSC Panel recommended by majority that only WACM3 better facilitated the CUSC Objectives than the Baseline (the arrangements currently set out in CUSC). However, there was support (4 out of 9 votes) for the CMP350 Original and all other WACMs. Final Modification Report was issued to Ofgem on 6 August 2020.

**CMP350** documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/changes-bsuos>

#### **CMP342 'Clarification of VAT for Securities in the CUSC'**

CMP342 seeks to clarify, and confirm the position that NGESO has always applied, that when calculating the amount Users are required to secure under the CUSC, the amount of applicable Value Added Tax is to be included.

The CUSC Panel had unanimously agreed that CMP342 should follow the self-governance route and proceed to Code Administrator Consultation. Following a challenge on material impacts of the proposed change from a respondent to the Code Administrator Consultation, the Panel is still considering the appropriate governance route and will decide on the final outcome at the August Panel (28 August 2020).

On the 31 July 2020, Panel also raised questions as to when a party would be liable for VAT and to whom. On 6 August 2020, the ESO provided Panel with this clarification and, based on this, Panel agreed that CMP342 can proceed to a vote at the August and does not need to go to a Workgroup.

**CMP342** documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp342>

## Questions or feedback?

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