nationalgridESO

Headline Report – 21 April 2021

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.

New Modifications

1 new Modification Proposal was presented for consideration.

CMP373 - Deferral of BSUoS billing error adjustment

On 9 April 2021, the ESO informed industry parties that they had underbilled BSUoS by ~£44m of Balancing Services costs incurred in 2020/21. The ESO proposes to recover this cost through the Reconciliation Final run (RF) for 2020/21, commencing from 24 May 2021. However, this unforeseen cost recovery adjustment will cause significant problems for Suppliers, Generators and Consumers. CMP373 proposes to adjust BSUoS in the 2021/22 charging year to ensure stakeholders do not face retrospective costs, which are forced upon them through no fault of their own, and to avoid an adverse impact on the Default Tariff Cap calculations, both past and future.

The CUSC Panel on 21 April 2021 unanimously agreed that CMP373 met Ofgem's Urgency criteria (a) and therefore recommended urgent treatment to Ofgem. Panel's recommendation will be sent to Ofgem later on 21 April 2021 seeking Ofgem decision on urgent treatment by 5pm on 23 April 2021. The CUSC Panel also unanimously agreed that CMP373 should be assessed by a Workgroup – the 1st Workgroup will be held 26 April 2021 if Ofgem grant urgency.

CM P373 documentation can be found via the following link:

https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-codecusc-old/modifications/deferral-bsuos

Questions or feedback?

Code Administrator Representative: Paul Mullen, Code Administrator Panel Secretary: Ren Walker, Code Administrator Email: <u>cusc.team@nationalgrideso.com</u>