

Special CUSC Panel Minutes: 16 April 2021

CUSC Panel Minutes: Meeting Number 274

Date: 16/04/2021 **Location:** Microsoft Teams Meeting

Start: 10:00am **End:** 11:00am

Participants

Attendee	Initials	Company
Trisha McAuley	TM	Independent Panel Chair
Paul Mullen	PM	Code Administrator, National Grid Electricity System Operator
Ren Walker	RW	Technical Secretary, Code Administrator, National Grid Electricity System Operator
Jon Wisdom	JW	National Grid Electricity System Operator
Grace March	GM	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Andy Pace	AP	Users' Panel Member
Paul Mott	PMO	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Andrew Enzor	AE	Users' Panel Member Alternate
Mark Duffield	MD	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
James Stone	JS	National Grid Electricity System Operator Proposer of CMP368 & CMP369
Harriet Harmon	HH	Authority Representative

Apologies	Initials	Company
Joseph Dunn	JD	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Jeremy Caplin	JC	BSC Representative

1. Introductions and Apologies for Absence

10842. Apologies were received from Joe Dunn, Paul Jones and Jeremy Caplin.

2. New Modifications

[CMP368 & CMP369 'Updating Charges for the Physical Assets Required for Connection, Generation Output and Generator charges for the purpose of maintaining compliance with the Limiting Regulation; and CMP369 - Consequential changes to Section 14 of the CUSC as a result of the updated definitions introduced by CMP368'.](#)

10843. JS delivered a presentation on CMP368 & CMP369. JS advised that CMP368 seeks to give effect to the Authority determination within the CMP317/327 decision published on the 17 December 2020 to amend the definition of Assets Required for Connection, create new definitions of 'GB Generation Output' and define Generator charges for use in the Limiting Regulation range calculation. To facilitate the change, CMP369 proposes to update the legal text relating to 'Generation Output' detailed in the tariff setting methodology within Section 14.14.5 and the Ex-Post Reconciliation within Section 14.17.37 of the CUSC to align with the updated definitions introduced by CMP368.

10844. JS provided some background to the Panel on why these modifications have been raised JS explained that on 17 December 2020 Ofgem approved [CMP317/327](#) '*Removing Generator Residual and excluding assets required for connection*' for 1 April 2021 implementation. However, this was approved as a 'stop-gap' measure.

10845. JS stated that as part of the decision, Ofgem expected National Grid ESO to bring forward further modifications to update the CUSC charging methodology used to assess compliance with Regulation 838/2010, so average annual TNUoS charges for Generators in GB are within a range of €0-2.50/MWh (the Limiting Regulation Range).

10846. In January 2021 SSE Generation appealed Ofgem's approval of the Original CMP317/327 Proposal to the Competition and Markets Authority (CMA). This appeal was dismissed on the 30 March 2021 meaning Ofgem's decision stands and modifications are now required to facilitate the CMP317/327 decision and to update the CUSC to:

- Include, in the assessment of compliance with the Limiting Regulation, Local Charges in respect of Local Assets (i.e. Local Substations and Local Circuits) to the extent that such assets were pre-existing at the time the generator paying those charges wished to connect to the system and;
- Exclude the charges and volumes associated with large distributed generators from the compliance assessment calculation.

10847. JS advised that to facilitate Ofgem's CMP317/327 decision, CMP368 & CMP369 proposes changes to both Section 11 'Interpretations and Definitions' and Section 14 'Charging Methodologies' of the CUSC to be effective from 1 April 2022.

10848. The CUSC Panel on 16 April 2021 by majority did not agree that CMP368 and CMP369 met Ofgem's Urgency criteria (c) and therefore did not recommend urgent treatment to Ofgem.. Panel members recognised the Proposer's desire for this to be approved sufficiently ahead of the issue of draft TNUoS tariffs to provide stakeholders with as much notice as possible and allow time for any system changes. However, the majority of Panel members did not believe the ESO would be in breach of their legal requirements and therefore did not meet Ofgem Urgency Criteria (c). This is because the ESO's desire to get these modifications in place before the draft TNUoS tariffs are published is not a legal requirement, and not doing so would not be a breach, so Urgency isn't justified under these criteria.
10849. The CUSC Panel unanimously agreed that CMP368 and CMP369 should be assessed by a joint Workgroup – the first Workgroup will be held 23 April 2021 if Ofgem grant urgency. *(Post Meeting Note: Panel's recommendation was sent to Ofgem 16 April 2021 seeking Ofgem decision by 5pm on 21 April 2021. On 22 April 2021, Ofgem concluded that CMP368 & CMP369 should not be treated as urgent **and 1st Workgroup will be held 19 May 2021**).*

3. AOB

10850. The Panel had no AOB to discuss.

The next CUSC Panel meeting will be held on Friday 30 April 2021.