

CUSC Panel

Friday 25 June 2021

Online Meeting via Teams

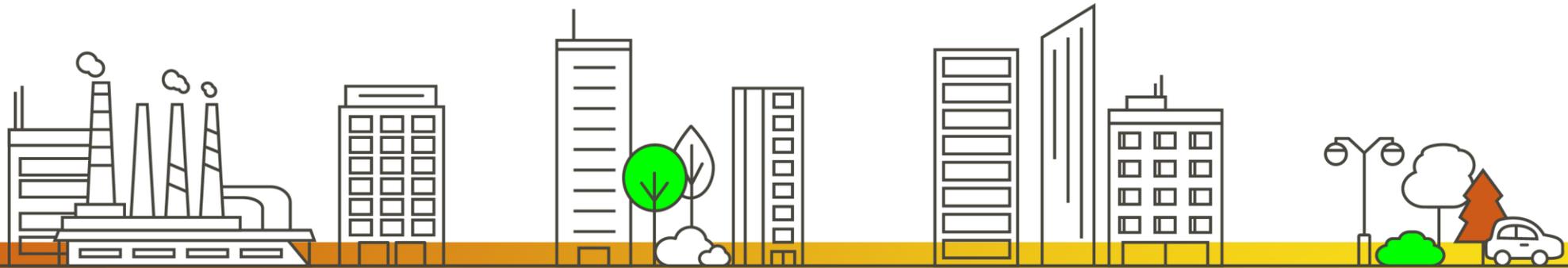
WELCOME



nationalgridESO

Approval of Panel Minutes

Approval of Panel Minutes from the Meeting held 28 May 2021 - *to be approved at next Panel meeting (currently 30 July 2021)*



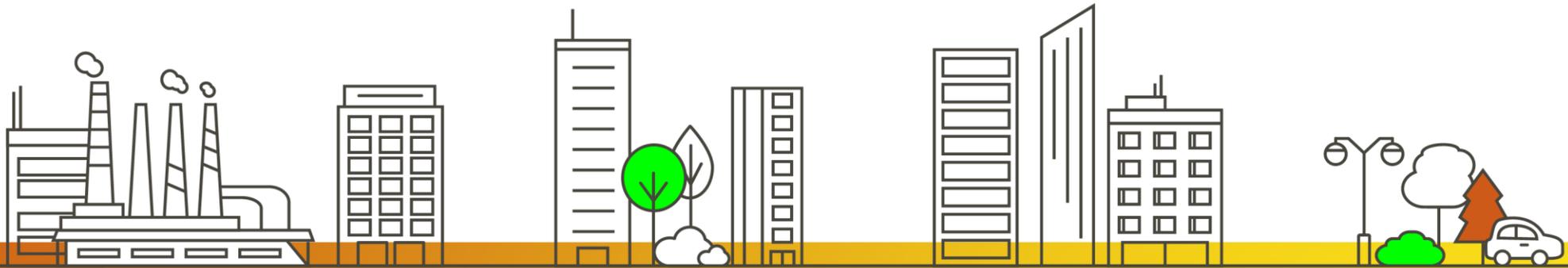
Actions Log

Review of the actions log



Chair's Update

An update from the Chair about ongoing relevant work, discussions etc.



Authority Decisions (as at 17 June 2021)



Decisions Received since last Panel meeting

- None

Decisions Pending

- CMP300 (was expected 4 June 2021 but now 9 July 2021), CMP280 (due 30 June 2021), CMP292 (was expected 30 June 2021 but now 30 September 2021), CMP335/336 (due 27 August 2021), CMP343/340 (due 27 August 2021)

Received Final Modification Reports since last Panel Meeting

- CMP326 (received 10 June 2021 with decision expected 10 August 2021)
- CMP365 ((received 10 June 2021 with decision expected 16 July 2021)

New modifications submitted

CMP375: 'Enduring Expansion Constant & Expansion Factor Review'

Jon Wisdom (on behalf of Grahame Neale) – National Grid ESO



Critical Friend Feedback – CMP375

| Code Administrator comments | Amendments made by the Proposer |
|--|--|
| <p>Proposed a minor change to title</p> <p>Proposed timeline</p> <p>Offered advice/sought clarity on interaction with CMP315</p> <p>Identified Transmission Owners as impacted parties</p> <p>Defined additional acronyms and formatting changes</p> | <p>Proposer accepted all amendments made by the Code Administrator apart from being definitive on whether or not to amalgamate. Preference is for joint working with CMP315 and amalgamation is one option here.</p> |

Proposal Rationale

- As approved under CMP353, the current Expansion Constant (EC) and Expansion Factors (EFs) are currently fixed at the value used in 2020/21 plus relevant inflation for each following year.
- As part of CMP353 the ESO committed to bring forward a further modification proposal to consider the enduring methodology for calculating the EC and EFs and whether a different approach to their creation and formulation should be considered.
- Without an enduring methodology to calculate EC and EF there is a risk that the charging methodology will not appropriately reflect the incremental costs of the system to Users. CMP375 aims to create this new methodology

Proposal Summary

CMP375 is a broad proposal to create a new methodology to calculate EC and EF to replace the temporary solution introduced by CMP353. Specific areas to be considered are (cognizant of data availability and complexity);

1. Prospective works i.e. planned works in addition to completed projects.
2. Works with 'no distance' (i.e. 0km length).
3. Works that do not increase capacity but do increase utilisation of existing capacity
4. Works that extend the service life of existing capacity that would otherwise be removed
5. Whether works that provide 'non-thermal' capacity (e.g. stability) should be included in the EC/EF methodology
6. If transmission capacity provided by non-TO parties should be included
7. Whether the EC/EF should continue to be calculated at the start of the onshore price control and indexed in between or if the EC/EF should be recalculated more/less frequently.
8. Ensuring existing provisions for 'voltage upgrade works' are suitably replicated. (e.g. where a 275kV circuit is replaced with a 400kV circuit).

Governance & Implementation

- Suggest using standard governance route (i.e. workgroup development & Ofgem decision)
- Suggested implementation date of April 2023 subject to workgroup discussions.
- Do not believe this proposal conflicts with any existing modification or SCR.
 - May be beneficial to jointly deliver with CMP315, possibly through formal amalgamation but can be developed separately if panel choose.

CMP375 (and CMP315) Proposed Timeline

| Milestone | Date | Milestone | Date |
|---|---|--|-------------------------------|
| Modification presented to Panel | 25 June 2021 | Workgroup Report presented to Panel | 25 February 2022 |
| Workgroup Nominations (10 Working days) | 28 June 2021 – 5pm on 19 July 2021 | Code Administrator Consultation (15 working days) | 4 March 2022 to 25 March 2022 |
| CMP375/CMP315 Workgroup 1 – agree timeline, terms of reference, background/context, understand proposer’s modification and identify key concepts for discussion at later Workgroups | 3 August 2021 | Draft Final Modification Report (DFMR) issued to Panel | 21 April 2022 |
| CMP375/CMP315 Workgroups 2 and 3 – discuss each key concept, narrow down options, agree guiding principles, data requirements and analysis for each option | 1 and 21 September 2021 | Panel undertake DFMR recommendation vote (5 working days) | 29 April 2022 |
| CMP375/CMP315 Workgroups 4 and 5 –review analysis, develop solution(s) including alternatives, identify impacts and implementation options, review draft Workgroup Consultation | 19 October 2021 and 3 November 2021 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 3 May 2022 |
| CMP375/CMP315 Workgroup 6 – finalise Workgroup Consultation | 15 November 2021 | Final Modification Report issued to Ofgem | 11 May 2022 |
| CMP375/CMP315 Workgroup Consultation | 23 November 2021 to 5pm on 14 December 2021 | Ofgem Decision | TBC |
| CMP375/CMP315 Workgroups 7 and 8 – review Workgroup Consultation responses, legal text, develop solution(s) including alternative solutions and hold Alternative Vote | 12 January 2022 and 2 February 2022 | Implementation Date | 1 April 2023 |
| CMP375/CMP315 Workgroup 9 – finalise Workgroup Report (including have Terms of Reference been met) and carry out Workgroup Vote | 9 February 2022 | NOTE: 3 previous Workgroups for CMP315 | |
| Workgroup Report issued to Panel | 17 February 2022 | | |

CMP315 Defect and Terms of Reference

Defect

The locational element of the Transmission Network Use of System (TNUoS) charge converts the “MWkm” figure calculated by the locational model and converts this figure into a locational cost (GBP/kW) for connecting generation and/or demand at a particular node. There are two potential issues with this process:

- i. Not all assets used by the transmission system are included in the calculation of the MWkm figure (for example 400/275 kV transformers are excluded); and
- ii. The expansion constant (used to convert MWkm to GBP/kW) assumes that the life and capacity of an asset can be fully flexed to meet a connectee’s requirements (for example if a customer required 300 MW of capacity over 25 years, the TO may – as the most cost-effective solution – construct a 500 MW asset with a life of 55 years). Therefore, the connectee would only be charged a proportion of the costs actually incurred by the TO (the balance of the cost would be recovered through the residual)

Terms of Reference

- Review of the principles of the current methodology
- Consider the effect on both TNUoS demand charges and generation charges
- Consider any interaction with demand TNUoS tariffs if floored at zero
- Consider that if individual party TNUoS charges are based on specific assets, how might each TNUoS payer be notified (and regularly updated) of the detail of those assets they are being charged for in case, if later, those assets are used by other parties.
- Consider in terms of aligning with Recital 63 of EU Renewable Energy Directive (2009/28/EC)
- Consider the distribution effect on Consumer impacts
- Implementation timeframes to be considered ahead of the TO RIIO price controls in 2021
- Consider interactions with the Transmission license and any cross code impacts especially STC
- Be mindful of, and consider, the SCR
- Clarify need, as soon as possible, for any external analysis

CMP375 – Amalgamate with CMP315?

CUSC 8.19.2 to 8.19.4 are relevant:

- Amalgamation is Panel's decision (**CUSC 8.19.2(a)**) in this case (as CMP374 has not been raised by Ofgem) – *Ofgem can issue a notice to the Panel Secretary under **CUSC 8.14.3** instructing this not to be amalgamated*
- The test that Panel need to apply when considering whether or not to amalgamate is set out in **CUSC 8.19.3** “*where the subject-matter of such CUSC Modification Proposals is sufficiently proximate to justify amalgamation on the grounds of efficiency and/or where such CUSC Modification Proposals are logically dependent on each other*”
- Once amalgamated, this will be treated as a “single CUSC Modification proposal” (**CUSC 8.19.4**)

CMP375 – the asks of Panel

- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **CONSIDER** interactions with CMP315.
- **AGREE** that this Modification should proceed to Workgroup and be jointly assessed by a CMP375/CMP315 Workgroup.
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline



In Flight Modification Updates

Review of all CUSC Modifications with current status, next steps and any Panel recommendations

Dashboard – CUSC (as at 17 June 2021)

| Category | Jan | Feb | Mar | Apr | May | Jun |
|--|-----------------------------------|----------------------|----------------------|--|------------------------------------|--|
| New Modifications | 3 | 4 | 3 | 6 | 1 | 1 |
| In-flight Modifications (includes those on hold but not New Modifications) | 51 | 50 | 53 | 36 | 42 | 43 |
| Modifications issued for Workgroup consultation | 2 (CMP357, CMP330) | 2 (CMP326, CMP328) | 0 | 2 (CMP308, CMP373) | 0 | 1 (CMP368/369) |
| Modifications issued for Code Administrator Consultation | 1 (CMP357) | 1 (CMP360) | 1 (CMP367) | 2 (CMP326), CMP365) | 4 (CMP373, CMP371, CMP370, CMP372) | 0 |
| Workgroups held | 5 | 4 | 5 | 7 | 8 | 8 |
| Authority Decisions | 3 (CMP355/356, CMP357 and CMP351) | 0 | 2 (CMP360, CMP367) | 0 | 2 (CMP344, CMP373) | 0 (CMP300 was expected 4 June but not yet received; however, it is still expected this month, CMP280 and CMP292 expected 30 Jun) |
| Implementations | 0 | 1 (CMP351) | 0 | 18 (CMP281, 306, 317/327, 319, 320, 324/325, 333, 339, 346, 347, 349, 353, 354, 355/356, 357, 360, 366, 367) | 0 | 0 |
| Modifications Withdrawn | 3 (CMP307, CMP309 and CMP310) | 0 | 0 | 0 | 0 | 0 |
| Modifications on Hold | 5 (CMP271, 276, 305, 309, 310) | 3 (CMP271, 276, 305) | 3 (CMP271, 276, 305) | 3 (CMP271, 276, 305) | 3 (CMP271, 276, 305) | 3 (CMP271, 276, 305) |
| Workgroups postponed | 1 (CMP328 from 12 Jan to 10 Feb) | 0 | 0 | 1 (CMP298 – was 7 Apr) | 0 | 2 (CMP298 – was 7 Jun, CMP363/364 was 11 Jun) |

In flight Modifications – the asks of Panel

CMP370 and CMP371

VOTE whether or not to recommend implementation

CMP372

VOTE whether or not to implement

CMP363/CMP364

AGREE revised timeline noting that Workgroup Report will be presented to September 2021 Panel rather than June 2021 Panel given the comments received as part of the Workgroup Consultation, the fact that Implementation Date is highly likely now to be 1 April 2023 (rather than 1 April 2022). In light of this, prudent to factor in Ofgem decision on the suite of Transmission Demand Residual Modifications (expected end August 2021) before presenting Workgroup Report to Panel.

CMP361/CMP362

AGREE revised timeline and that Workgroup Report will be presented to November 2021 Panel rather than September 2021 Panel to align with the timing of Ofgem's draft analysis which is being conducted by Frontier Economics.

CMP330/CMP374

AGREE revised timeline (to that presented at May 2021 Panel) and that Workgroup Report will be presented to September 2021 Panel rather than August 2021 Panel to allow sufficient scrutiny ahead of 2nd Workgroup Consultation

CMP298

AGREE revised timeline noting that Workgroup Report will be presented to September 2021 Panel rather than August 2021 Panel to allow further refinement of the legal text ahead of Workgroup Consultation. **NOTE** that there is no impact on the date that the Final Modification Report is planned to be sent to Ofgem.

CMP363 and CMP364 Timeline as at 10 June 2021

| Milestone | Date | Milestone | Date |
|---|--------------------------------------|--|---|
| Workgroup Nominations (15 working days) | 1 March 2021 to 5pm on 22 March 2021 | Panel sign off that Workgroup Report has met its Terms of Reference | 24 September 2021 |
| Workgroup 1 - Understand proposal and solution, agree timeline, agree terms of reference, agree WG Consultation questions + agree analysis for solution | 8 April 2021 1 – 5pm | Code Administrator Consultation (15 Working Days) | 27 September 2021 to 5pm on 18 October 2021 |
| Workgroup 2 – Review solution, any analysis and discuss alternatives + agree Workgroup Consultation questions | 19 April 2021 10 – 2pm | Draft Final Modification Report (DFMR) issued to Panel (5 working days) | 21 October 2021 |
| Workgroup 3 – Agree alternatives + finalise Workgroup Consultation | 5 May 2021 10 – 2pm | Panel undertake DFMR recommendation vote | 29 October 2021 |
| Workgroup Consultation (15 Working Days) | 7 May 2021 to 5pm 28 May 2021 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 2 November 2021 |
| Workgroup 4 and 5 Assess Workgroup Consultation Responses, develop alternatives, review legal text and carry out Alternative Vote | 10 June 2021 and 12 July 2021 | Final Modification Report issued to Ofgem | 10 November 2021 |
| Workgroup 6 – Finalise solution(s), review legal text | 12 August 2021 | Ofgem decision | TBC |
| 1 Workgroup 7 – Review solution (s) and legal text following publication of CMP343 decision and hold Workgroup Vote | 6 September 2021 | Implementation Date | 1 April 2023 (CMP363) / 10 working days after Authority Decision (CMP364) |
| Workgroup report issued to Panel (5 working days) | 16 September 2021 | Date changes highlighted in yellow | |

CMP361 & CMP362 Timeline as at 15 June 2021

| Milestone | Date | Milestone | Date |
|--|--------------------------------------|--|---|
| Modification presented to Panel | 26 February 2021 | Code Administrator Consultation (15 working days) | 3 December 2021 – 7 January 2022 (allowed for a longer period due to Christmas holidays) |
| Workgroup Nominations (15 Working days) | 1 March 2021 – 22 March 2021 | Draft Final Modification Report (DFMR) issued to Panel | 20 January 2022 |
| Workgroups 1-4 already held | WG meeting 4 was 15 June 2021 | Panel undertake DFMR recommendation vote (5 working days) | 28 January 2022 |
| Workgroup meeting 5 Workgroup Meeting 6 | 27 July 2021 16 August 2021 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 31 January 2022 |
| Workgroup Consultation | 3 September 2021 – 24 September 2021 | Final Modification Report issued to Ofgem | 8 February 2022 |
| Workgroup Meetings post consultation Workgroup Meeting 7 Workgroup Meeting 8 | 5 October 2021 27 October 2021 | Ofgem Decision | February 2022 |
| Workgroup Report issued to Panel | 18 November 2021 | Implementation Date | 1 April 2023 |
| Workgroup Report presented to Panel | 26 November 2021 | Date changes highlighted in yellow | |

CMP298 Timeline as at 2 June 2021

| Milestone | Date | Milestone | Date |
|--|---|--|---|
| Workgroups 1 to 6 | Already held – Workgroup 6 was 4 October 2019 | Code Administrator Consultation (15 Working Days) | 28 September 2021 to 5pm on 19 October 2021 |
| Workgroup 7 – present Product Document, clarify solution, review legal text, review terms of reference | 23 February 2021 | Draft Final Modification Report (DFMR) issued to Panel | 21 October 2021 |
| Workgroup 8 – finalise Product document, legal text, implementation and Workgroup Consultation Questions | 28 June 2021 (10-3pm) | Panel undertake DFMR recommendation vote | 29 October 2021 |
| Workgroup Consultation (15 Working Days) | 8 July 2021 to 5pm on 29 July 2021 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 1 November 2021 |
| Workgroup 9 - Assess Workgroup Consultation Responses | 9 August 2021 | Final Modification Report issued to Ofgem | 9 November 2021 |
| Workgroup 10 – Workgroup Vote and confirm Terms of Reference have been met | 24 August 2021 | Ofgem decision | TBC |
| Workgroup report issued to Panel | 16 September 2021 | Implementation Date | TBC |
| Panel sign off that Workgroup Report has met its Terms of Reference | 24 September 2021 | Date changes highlighted in yellow | |

CMP330/CMP374 Timeline as at 16 June 2021

| Milestone | Date | Milestone | Date |
|---|---|--|-------------------------------------|
| Modification presented to Panel | 28 May 2021 | Code Administrator Consultation (15 working days) | 27 September 2021 – 18 October 2021 |
| Workgroup Nominations (10 Working days) | 28 May 2021 – 14 June 2021 | Draft Final Modification Report (DFMR) issued to Panel | 21 October 2021 |
| CMP330/CMP374 Workgroup Meeting 1 (Discuss CMP374 solution and any potential alternatives & review legal text) | 18 June 2021 | Panel undertake DFMR recommendation vote (5 working days) | 29 October 2021 |
| Workgroup meeting 2 (Agree solution & Workgroup Consultation Questions & Finalise legal text) & Workgroup Meeting 3 (Finalise Workgroup Consultation) | w/c 5 July 2021 and w/c 19 July 2021 | Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 2 November 2021 |
| Workgroup Consultation | 27 July 2021 to 5pm 17 August 2021 | Final Modification Report issued to Ofgem | 10 November 2021 |
| Workgroup Meetings post consultation (review CMP374 Workgroup Consultation responses, finalise solution, hold Votes) | w/c 23 August 2021 & w/c 6 September 2021 | Ofgem Decision | TBC |
| Workgroup Report issued to Panel | 16 September 2021 | Implementation Date | TBC |
| Workgroup Report presented to Panel | 24 September 2021 | NOTE: 8 previous Workgroups for CMP330 - Date changes highlighted in yellow | |

Discussions on Prioritisation

- **AGREE** where New Modifications that need Workgroups are placed in the prioritisation stack
- **AGREE** any movements in the current prioritisation stack including:
 - **CMP315** (in light of the raising of **CMP375**); and
 - **CMP363/364** as decision no longer needed by 1 October 2021

Prioritisation Principles

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”

| | |
|-------------------|---|
| 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. |

BREAK





Workgroup Reports

None this month



Draft Final Modification Reports

**CMP370 - Revision of the connection offer acceptance
period for interactive connection offers**

Paul Mullen

CMP370 Background

- A new Interactivity policy has been developed collaboratively with industry through the Energy Networks Association (ENA) Open Network Projects. CMP370 seeks to align the CUSC with this Interactivity policy.
- CUSC Panel unanimously agreed that CMP370 should follow standard governance route and proceed straight to Code Administrator Consultation.
- After clarifications sought from Panel had been addressed post-Panel via circulation, Code Administrator Consultation was run from 14 May 2021 to 5pm on 7 June 2021 with 2 non-confidential responses received.

CMP370 Code Administrator Consultation Responses Summary

| Code Administrator Consultation summary | |
|---|---|
| Question | |
| Do you believe that the CMP370 Original Proposal better facilitates the Applicable CUSC Objectives? | <p>One respondent believes the proposal better facilitates Objectives a, b as it implements a coherent and standardised process to deal with multiple interactive applications on a fair and equal basis.</p> <p>The other respondent stated that although they understand the intent of the modification, they do not believe the definition of 'Interactivity' fulfils that intent where, for example, there is transmission and distribution interactivity. Following discussion with the respondent, the Proposer has suggested an addition to this definition to be presented to the Panel for consideration (<i>see "Legal text issues raised in the consultation" section below</i>)</p> |
| Do you support the proposed implementation approach? | Both respondents supported the implementation approach, agreeing that the interactive process is already developed. |
| Do you have any other comments? | One respondent noted that all stakeholders, should be consulted on any changes to the ESO Interactivity Policy and encouraged clarity from the ESO to make the change management process transparent and accessible up front. |

Legal Text Changes?

Following the closure of the Code Administrator Consultation, the Proposer (after discussion with the respondent who raised concerns on the definition of "Interactivity"), has suggested the following addition in **red text** to the definition of Interactivity:

"Interactivity" means where there are two or more applications for connection and/or use of system which would be utilising or connecting to the same part of the existing or future **NETS** and/or **Distribution System** where not all the applicants can be connected, interactivity is the process that determines the queue position of the applications that can be connected with or without further changes to the network

Code Administrator Consultation – Legal Text Changes. What do the Governance Rules say?

8.23.4 A draft of the **CUSC Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **CUSC Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to Paragraph 8.19.1 at which the Panel may consider any minor changes to the legal drafting, which may include any issues identified through the **Code Administrator's** consultation and:

(i) if the change required is a typographical error the **CUSC Modifications Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**; or

(iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.

(iv) In the case of a modification that had been directed pursuant to CUSC 8.19.2(d) to proceed directly to wider consultation without the formation of a Workgroup, and if the change required is not considered to be a typographical error, then the **CUSC Modifications Panel** may direct the **Code Administrator** in conjunction with the proposer to review the change. If both parties agree that the change is minor the **CUSC Modifications Panel** may instruct the Code Administrator to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**, otherwise the Code Administrator shall issue the **CUSC Modification Proposal** for further Code Administrator consultation after which the Panel Chairman will undertake the **CUSC Modifications Panel Recommendation Vote**. In the case of a change that is not considered to be minor, the **CUSC Modifications Panel** may also consider whether to establish a **Workgroup** of the **CUSC Modifications Panel**, to further consider the **CUSC Modification Proposal**, in which case the procedures set out within CUSC 8.20 will be followed as required.

(v) if a change is not required after consideration, the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.

Code Admin must present the proposed legal text changes

Panel have 3 choices:

- **Agree the change is typographical and instruct Code Admin to make the change. Then we carry out Recommendation Vote; or**
 - **Agree the change is not needed. Then we carry out Recommendation Vote; or**
 - **Agree to run a 2nd Code Administrator Consultation (and agree how long this is to be run for). Then re—issue the Draft Final Modification Report to Panel for Recommendation Vote.**

CMP370 Timeline

| Milestone | Date |
|--|---|
| Panel undertake DFMR recommendation vote | 25 June 2021 |
| Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 28 June 2021 |
| Final Modification Report issued to Ofgem | 6 July 2021 |
| Ofgem decision | Ideally by 1 August 2021 but no later than 31 August 2021 |
| Implementation Date | 10 working days after Ofgem decision |

CMP370 – the asks of Panel

- **AGREE** whether or not the proposed changes to the legal text are typographical
- **NOTE** that this Modification does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation
 - *Does the CMP370 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps



Draft Final Modification Reports

**CMP371 - Assessing CUSC Modification Proposals
against charging and standard objectives**

Paul Mullen

CMP371 Background

| | |
|-----------------------|--|
| What and Why? | Seeks to update the CUSC such that Charging and Non-Charging changes can be included in one Modification Proposal, but with such changes being judged against their respective Applicable CUSC Objectives, in order to remove the inefficient practice of raising multiple modifications to enact one related change. |
| How? | Legal Text Changes to CUSC 8.16.2 and new definitions of “Applicable CUSC Objectives (Charging)” and “Applicable CUSC Objectives (Non-Charging)”. |
| Implementation | <p>10 working days after Authority Decision.</p> <p>Efficiencies have already been built into the Modification process. However, the Proposal form (and guidance) will need to be tweaked to allow Proposers to include an assessment against both the CUSC Charging Objectives and CUSC Non-Charging Objectives and spell out which changes are related to CUSC Section 14 and which are non CUSC Section 14.</p> |
| Governance | Standard Governance modification (doesn't meet Self Governance Criteria) to proceed to Code Administrator Consultation (given binary nature of proposal) – Panel on 30 April 2021 agreed |
| Other | <p>No impact anticipated on Ofgem assessment process.</p> <p>As we are retaining differentiation in assessing the proposal, do not believe there is anything to prevent the CMP371 change in licence terms.</p> |

CMP371 Code Administrator Consultation responses summary

Code Administrator Consultation was run from 11 May 2021 to 5pm on 2 June 2021 with 4 non-confidential responses received.

| Question | Summary |
|---|---|
| Do you believe that the CMP371 Original Proposal better facilitates the Applicable CUSC Objectives? | Three respondents agreed that CMP371 better facilitates Applicable Objective (d) noting the efficiencies that CMP371 provides. The other respondent sees merit in the CMP371 change but does not believe in its current form that this better facilitates Applicable Objective (d). |
| Do you support the proposed implementation approach? | All respondents supported the implementation approach. |

CMP371 Code Administrator Consultation responses summary

| Question | Summary |
|---------------------------------|--|
| Do you have any other comments? | <p>One respondent raised two points that were previously raised and discussed at the 30 April 2021 Panel namely that:</p> <ul style="list-style-type: none"> • They understand from the ESO that they have been told by Ofgem that this proposal is legally compliant with the Transmission Licence: however, this is not stated within this consultation document; and • This could create “significant confusion” when assessing an individual proposal against two sets of Applicable Objectives that are both labelled as (a), (b), (c) and (d) (with one also having an additional label (e)) and reaffirms their stated desire for one set of Applicable Objectives to be labelled with roman numerals and does not believe there is anything in the licence that precludes this. On this point, another respondent noted that Code Admin will need to clearly articulate the differences between the two sets of Applicable Objectives , both in their Critical Friend Role and whilst chairing Workgroups to ensure members understand the voting process. However, they added that <i>“Since they already do this satisfactorily when helping proposers divide a Mod up into charging and non-charging, and during Workgroup votes, this is unlikely to be a problem”</i> <p>This respondent also raised a concern about how the Panel vote would work as they believe the CUSC wording suggests this is a vote against all Applicable Objectives and not two separate votes against the two, separate sets of Applicable Objectives – Code Admin have sought a legal view (for themselves) on this point.</p> |
| Legal Text issues raised? | None raised specifically on the CUSC wording; however, a respondent re-iterated their previous suggestion for one set of Applicable Objectives to be labelled with roman numerals. |
| EBGL issues raised? | None raised. |

CMP371 Timeline

| Milestone | Date |
|--|--|
| Panel undertake DFMR recommendation vote | 25 June 2021 |
| Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 28 June 2021 |
| Final Modification Report issued to Ofgem | 6 July 2021 |
| Ofgem decision | TBC |
| Implementation Date | 10 working days after Authority decision |

CMP371 – the asks of Panel

- **NOTE** that this Modification does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation
 - *Does the CMP371 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps



Draft Final Modification Reports

**CMP372 - CUSC changes to reflect the terms of the UK's
departure from the EU**

Paul Mullen

CMP372 Background

- CMP372 seeks to ensure that retained EU law functions effectively in the context of the CUSC following the UK-EU Trade and Cooperation Agreement and the end of the transition period. It will ensure that the CUSC takes into account the provisions in the relevant Statutory Instruments prepared under the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement) Act 2020
- CUSC Panel on 30 April 2021 unanimously agreed that CMP372 should proceed straight to Code Administrator Consultation and after clarification post-Panel on the legal text agreed via circulation that CMP372 should follow self-governance
- Code Administrator Consultation was run from 20 May 2021 to 5pm on 11 June 2021 with 1 non-confidential response received, which supported the change. The respondent did however note that:

“As part of the role of Critical Friend, the ESO should be prepared to help Proposers understand and be aware of the difference between this version of the CUSC (once implemented) and the current baseline. For example, some potential Proposers may not realise that EBR Article 18 places the same obligations in practicalities as EBGL Article 18”.

CMP372 Timeline

| Milestone | Date |
|--|------------------------------------|
| Panel undertake DFMR recommendation vote | 25 June 2021 |
| Final Modification Report issued to Panel to check votes recorded correctly (5 working days) | 28 June 2021 |
| Appeals Window (15 working days) | 6 July 2021 to 5pm on 27 July 2021 |
| Implementation Date (5 working days after closure of Appeals Window) | 3 August 2021 |

CMP372 – the asks of Panel

- **NOTE** that this Modification does not impact the European Electricity Balancing Guideline (EBGL) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to implement
 - *Does the CMP372 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps



Standing Groups - *Updates on all standing groups relevant to CUSC panel e.g. potential for future governance changes or modifications*

Governance Standing Group – Garth Graham
TCMF – Jon Wisdom



European Updates - *Updates on all European developments relevant to CUSC panel e.g. potential for future governance changes or modifications*

European Code Development – Nadir Hafeez

Joint European Stakeholder Group – Garth Graham

Update on Other Industry Codes

Grid Code

STC

SQSS

DCUSA

BSC

The background features several decorative yellow lines. In the top left, there are several thin, curved lines that sweep across the page. In the bottom right, there are several thick, parallel diagonal lines that create a sense of movement and depth.

Relevant Interruptions Claim Report

(January, April, July, October)



Governance

CUSC Panel Elections Update

Paul Mullen

The background features several decorative yellow lines. In the top left, there are several curved lines that sweep across the upper portion of the page. In the bottom right, there are several parallel diagonal lines that sweep upwards from left to right, creating a sense of movement and depth.

Horizon Scan

(February, May, August, November)

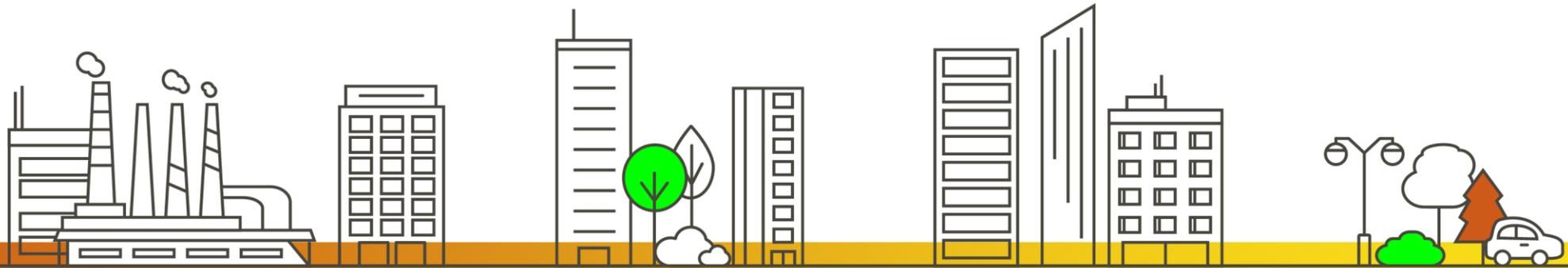
Forward Plan Update/Customer Journey)

(January, March, May, July, September, November)

(Critical Friend Quarterly Update in Panel Pack – January, April, July and October. To be discussed at Panel – January and July)

- **Enhancing the Quality of the Legal Text – Paul Mullen**

Panel Update Implementation and Legal Text Improvements



Areas to address and improve

Aim- Improve the quality of legal text being shared publicly and for comment

- Have standard approach to how legal text is presented (through the process and as a working document)
- Keep track of baseline to avoid issues when implementation
- Have a dedicated handover process for the Code Admin Team
- Standard template to store Housekeeping changes
- More structure around implementation and legal text storage in Code Admin team
- Checklist for the QA in Code Admin

Legal Text Checklist (Draft)

| B | C | D | E | F |
|---|------------------------|-------------------|---------------------|-----------------------|
| Modification Number | HERE | | | |
| Legal Text Check | Critical Friend | Mod Raised | Consultation | Implementation |
| Baseline/revision checked as current published version (enter it in the check box) | CA | CCD | CCD | CA |
| Is the baseline in the latest word version? eg:.docx (update if not to avoid format issues) | CCD | CCD | CCD | CA |
| Check on the housekeeping register for any other updates required | CCD | CCD | CCD | |
| Enter/update smart sheet | CA | CA | CA | CA |
| Defined Terms – are they bold and added to the definition if new? | | CCD | CCD | |
| Use Spell Check | | CCD | CCD | |
| Formatting- including paragraph numbers | | CCD | CCD | |
| Font type and size | | CCD | CCD | |
| Are tracked changes used and is this on the full copy of the legal text | | CCD | CCD | |
| Peer review check on legal text | | CCD | CCD | |
| Do you need legal support before a consultation (this not to check the formatting) | | CCD | CCD | |
| Proposed decision date from Ofgem | | | CA | CA |
| QC in Code Admin | | | | CA |
| PDF for publishing | | | | CA |
| Implementation tracker to update | | | | CA |
| Actual implementation date | | | | CA |
| Completed Stage (Drop down) | | | | |

Housekeeping Register (Draft)

| Suggested by | Origin | Explanation | Chapter/Section | Baseline date | Baseline | Proposed change | Implemented in to Modification | Approved by (Tech Co) | Imple |
|--------------|-----------------------|---|------------------------|---------------|---|--|--------------------------------|-----------------------|-------|
| Phil Smith | GCO130 implementation | GCO130 was implemented on 18 March 2021. When preparing the legal text, we found there were two versions of an excel file of 'other changes' and the final version was missing some changes that we believe were required. We could not implement them because they weren't in the final version so those changes are still needed, although the code as it stands it not unworkable. | GLOSSARY & DEFINITIONS | 28-Jan-20 | <p>Output Usable or OU The (daily or weekly) forecast value (in MW), at the time of the (daily or weekly) peak demand, of the maximum level at which the Genset can export to the Grid Entry Point, or in the case of Embedded Power Stations, to the User System Entry Point. In addition, for a Genset powered by an Intermittent Power Source the forecast value is based upon the Intermittent Power Source being at a level which would enable the Genset to generate at Registered Capacity. For the purpose of OC2 only, the term Output Usable shall include the terms Interconnector Export Capacity and Interconnector Import Capacity where the term Output Usable is being applied to an External Interconnection.</p> | <p>Output Usable or OU The (daily or weekly) forecast value (in MW), at the time of the (daily or weekly) peak demand, of the maximum profiled across the time period affected by the unplanned or planned Event of the level at which the Genset can export to the Grid Entry Point, or in the case of Embedded Power Stations, to the User System Entry Point. In addition, for a Genset powered by an Intermittent Power Source the forecast value is based upon the Intermittent Power Source being at a level which would enable the Genset to generate at Registered Capacity. For the purpose of OC2 only, the term Output Usable shall include the terms Interconnector Export Capacity and Interconnector Import Capacity where the term Output Usable is being applied to an External Interconnection.</p> | | | |

Checklist for Quality Checker – Pre-Implementation

| Items to check when quality checking an Implementation | Done Y/N |
|---|----------|
| *Always make sure you open the word document in desk top app to complete the changes. | |
| In the relevant revision folder, compare the text from the 'Legal Text' folder with the text that is saved in 'For Implementation – Word' these must now match as the changes should have been made, this should be a clean document. | |
| Amend any differences that you find, it should be a clean document. | |
| Check that the footer has been updated with the correct revision number and implementation date. (You may need to check this on a few pages as it doesn't always follow through the document) | |
| Check the page numbers match up at the bottom of the document, for example it shouldn't say 82 of 80. | |
| Check that all pages are correct against page titles on contents page. | |
| Check the email to industry on campaign monitor has all the correct information on. https://subscribers.nationalgrid.co.uk/ | |

Panel support for legal text process

- We value your input on the legal text submissions
- Where possible, comments on legal text need to be made as early as possible as it is then easier to make changes (and helps the Code Admin Team to compile papers in time)
- Please return comments in word for ease of review
- Use the Housekeeping Register for any annotations that cannot be included where applicable

AOB

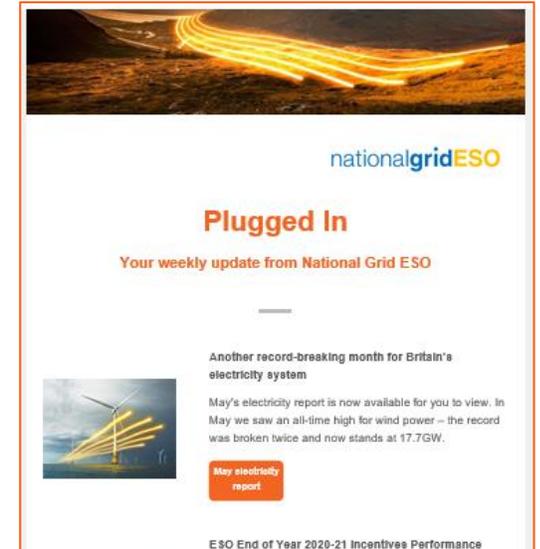
- 1. *General discussion on impacts of coronavirus outbreak (ALL)***
- 2. *ESO Newsletter (Paul Mullen)***

Plugged In newsletter

The ESO have recently started producing a weekly round-up email to give the latest updates on what we are doing to deliver against our core roles as an ESO as we work to enable the energy transition.

Within the newsletter, there is a section which summarises the recent code updates for that week.

- Are Panel members aware of this?
- Is this something they'd like to subscribe to?
- Is there anything particular they'd like to see in the Codes section?
- Any other feedback



Codes

- Following the BSUoS under recovery, [CMP373 'Deferral of BSUoS billing error adjustment'](#) was raised and subsequently approved by Ofgem.
- Following on from the Grid Code Development Forum (GCDF), NGENSO have developed draft [Guidance Notes](#) to describe to Generators and other Users on the system the model sharing process for interaction studies.
- We have published the [Headline Report and updated prioritisation stack](#) from the CUSC Panel meeting held on **28 May**.

View all codes on our dedicated codes webpage:

Dedicated Codes
Webpage

Next Panel Meeting

10am on 30 July 2021 via Teams

Papers Day – 22 July 2021

**Modification Proposals to be submitted
by 15 July 2021**

TCMF – 8 July 2021

Close



Trisha McAuley

Independent Chair, CUSC Panel