nationalgrid

CUSC Modifications Panel Meeting

Headline Report

Meeting Name: CUSC Modifications Panel Meeting

Meeting No: 191 & 192

Date of Meeting: 19 July 2016 (Special CUSC Panel) and 29 July 2016

Venue: National Grid House, Warwick

1 Introduction

Welcome to the CUSC Panel Headline Report. This shall be produced after every CUSC Panel meeting and aims to provide all of our key stakeholders / interested parties with an overview of the headlines and key decisions the Panel are currently managing. Full minutes of the meeting will be produced and approved at the next meeting of the CUSC Panel and will then be published on the website.

All presentations given at this Modifications Panel meeting can be found in the Modifications Panel area on the National Grid website¹

We would welcome any comments you may have.

2 Minutes of Previous Meeting

The minutes from the meeting held on 24 June 2016 were approved subject to changes and are available on the National Grid website.

3 New CUSC Modification Proposals

There were two new CUSC Modifications Proposals presented to the CUSC Panel this month. CMP267 was presented at a Special CUSC Panel meeting on 19 July 2016 and CMP268 was presented at the CUSC Panel meeting 29 July 2016.

CMP267: Defer the recovery of BSUoS costs, after they have exceeded £30m, arising from any Income Adjusting Events raised in a given charging year, over the subsequent two charging years. CMP267 aims to defer unforeseen increase in BSUoS costs arising from an Income Adjusting Event (IAE) by two years. This proposal only applies to IAE's which, in their total in any given charging year, have a combined effect on "raw BSUoS" of over £30m.

The Panel reviewed the proposal and recommended that it should be developed by a Workgroup working to an Urgent timetable. The Panel Chair has issued a



Any Questions?

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letter to the Authority requesting them to make a decision on Urgency based on the Panel's recommendation.

The Industry has already been invited to join the CMP267 Workgroup. The first Workgroup meeting will take place on 2 August 2016.

CMP268: Recognition of sharing by Conventional Carbon plant of Not-Shared Year-Round circuits. CMP268 aims to change the charging methodology to more appropriately recognise that the different types of "Conventional" generation do cause different transmission network investment costs, which should be reflected in the TNUoS charges that the different types of "Conventional" generation pays.

The Panel reviewed the proposal and agreed that the Proposal be developed by a Workgroup following a standard timetable. They did not support by majority the Proposer's request to develop the Proposal following an Urgent timetable. The Panel Chair will issue a letter to the Authority requesting them to make a decision on Urgency based on the Panel's recommendation.

If you would like to be part of the CMP268 Workgroup, please contact CUSC.Team@nationalgrid.com by 5 August 2016. A formal notification for parties to join the Workgroup will be issued by 1 August and it is anticipated that the first Workgroup meeting will take place at the end of August 2016.

4 CUSC Modifications Panel Recommendation Vote

There have been no modifications this month that the Panel have been required to vote on.

5 Authority Decisions

The Authority has rejected two modifications this month.

- CMP244 'Set final TNUoS tariffs at least 15 months ahead of each charging year' and CMP256 'Potential consequential changes to the CUSC as a result of CMP244'
- CMP260 'TNUoS Demand charges for 2016/17 during the implementation of P272 following approval of P322 and CMP247'

6 Next Meeting

The next meeting will take place on 26 August 2016 at National Grid House, Warwick. The Panel also agreed to a Special CUSC Panel meeting on 15 August 2016 to discuss CMP261.

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