

CUSC Modifications Panel Meeting

Headline Report

Meeting Name: CUSC Modifications Panel Meeting

Meeting No: 194

Date of Meeting: 30 September 2016

Venue: National Grid House, Warwick



Any Questions?

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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 26 August 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.

CMP271 'Improving the cost reflectivity of demand transmission charges'. CMP271 aims to improve the cost reflectivity of demand transmission charges. It is proposed that the transmission charging methodology should include a Peak Security demand tariff levied at Triad, a Year Round demand tariff and revenue recovery levied on year round supplier demand.

The Panel reviewed the proposal and recommended that it should be developed by a Workgroup working towards the proposed timetable.

¹ <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Panel-information/Panel-meeting-dates-and-documents-2016/>

The Industry will be invited to join the CMP271 Workgroup.

CMP274 'Winter TNUoS Time of Use Tariff (TToUT) for Demand TNUoS'

CMP274 aims to improve the cost reflectivity of demand transmission charges. It is proposed that the transmission charging methodology should include a Winter Weekday Time of use demand tariff which reflects the existing Demand Residual element of the existing methodology so that revenue recovery is levied over a longer period of assessment.

The Panel reviewed the proposal and will be assessing the Terms of Reference for this modification at their next meeting. The Panel agreed that they would recommend that it should be developed by a Workgroup working towards timetable that will be similar to CMP271.

The Industry will be invited to join the CMP274 Workgroup.

4 CUSC Modifications Panel Recommendation Vote

There had been three modifications this month that the Panel were due to vote on.

CMP251 'Removing the error margin in the cap on total TNUoS recovered by generation and introducing a new charging element to TNUoS to ensure compliance with European Commission Regulation 838/2010'. CMP251 seeks to ensure that there is no risk of non-compliance with European Regulation 838/2010 by removing the error margin introduced by CMP224 and by introducing a new charging element to the calculation of TNUoS.

The Panel voted on CMP251 against the Applicable CUSC Objectives. The Panel agreed by majority that the Baseline better facilitate the CUSC Objectives.

CMP259 'Clarification of decrease in TEC as a Modification'. CMP259 proposes to enable a User to request both a TEC reduction and a subsequent TEC increase in the form of a single modification application to National Grid.

The Panel voted on CMP259 against the Applicable CUSC Objectives. The Panel agreed by majority that the Baseline better facilitate the CUSC Objectives.

CMP262 'Removal of SBR/DSBR costs from BSUoS into a 'Demand Security Charge'. CMP262 was proposed by VPI Immingham and aims to create a new cost recovery mechanism, a 'Demand Security Charge' specifically for recovery of all SBR/DSBR costs, which is only levied on demand side Balancing Mechanism Units (BMUs).

The Panel voted on CMP262 against the Applicable CUSC Objectives. The Panel had mixed opinions with three members voting for the Original, three voting for WACM1, two voting for WACM2 and one member considering that the Baseline as better facilitating the CUSC Objectives.

5 Authority Decisions

There have been no Authority decisions this month.

6 Next Meeting

The next Panel meeting will take place on 28 October 2016 at National Grid House, Warwick.

The Panel also agreed to Special CUSC Panel meetings on 11 October 2016 to discuss CMP267; 18 October 2016 to discuss CMP268 and 25 October 2016 to discuss CMP264, CMP265, CMP269 and CMP270.