

Headline Report – 30 September 2022

Connection and Use of System Code (CUSC) Panel

The CUSC Panel Headline Report is produced after every Panel and aims to provide an overview of the key decisions made. Minutes for this meeting will be published separately.

Approval of Panel Minutes

The meeting minutes from the Panels on 16 and 26 August 2022 were approved and these will be uploaded to our website.

New Modifications

The following new Modification Proposals were presented to the Panel:

CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)'

CMP316 (TNUoS Charging Methodology for Co-located Generation) makes changes to Section 14 of the CUSC. CMP397 facilitates CMP316 and proposes consequential changes to CUSC Exhibits B & D.

The Panel agreed that **CMP397** should follow the Standard governance route and proceed to Code Administrator Consultation. The Code Administrator Consultation will be issued at the same time as the CMP316 Code Administrator Consultation and will be open from 4 October 2022 to 5pm on 1 November 2022.

CMP397 documentation can be found <u>here</u>

CMP398 'GC0156 Cost Recovery mechanism for CUSC Parties'

GC0156 (Facilitating the Implementation of the Electricity System Restoration Standard) will place new obligations, within the Grid Code, upon CUSC Parties who are not contracted with the ESO as Restoration Service Providers. CMP398 proposes to introduce a codified cost recovery mechanism to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations.

The Panel agreed that **CMP398** should follow the standard governance route and proceed to a Workgroup, which will be run in parallel with GC0156. The Panel agreed the Terms of Reference for the Workgroup.

CMP398 documentation can be found here



New / Pending Authority Decisions

Ofgem provided an update on Modifications that have been decided upon and are currently awaiting their decision since the CUSC Panel on 26 August 2022.

Decisions since CUSC Panel on 26 August 2022

There are no Ofgem decisions on CUSC Modifications since the CUSC Panel on 26 August 2022.

Awaiting Decisions

Modification	What this seeks to achieve	Expected Decision Date	
CMP288	Explicit charging arrangements for customer delays and backfeeds iro transmission connections	Final Modification Report was issued to Ofgem on 10 August 2022. Decision expected 30 November 2022.	
CMP292	Introducing a Section 8 cut-off date for changes to the Charging Methodologies	Expected decision date of TBC in 2022 (previously 30 June 2021 and latterly 30 September 2021) as Ofgem still consider this to be low priority.	
CMP298	Process for aggregated assessment of Distributed Generators that impact (or may impact) on the National Electricity Transmission System.	Decision expected 30 November 2022 in accordance with Ofgem's latest published expected decision dates table. Associated STC Modification (CM080) to be presented to August 2022 STC Panel for recommendation vote.	
CMP328	Establish the process when any connection triggers a Distribution impact assessment.	Decision expected 30 November 2022 in accordance with Ofgem's latest published expected decision dates table. The Final Modification Report for the associated STC change (CM078) was issued to Ofgem on 7 June 2022.	
CMP361/ CMP362	Introduce an ex-ante fixed volumetric BSUoS tariff set over a total fix and notice period of 14 months (CMP361) and introduce and update required definitions into CUSC section 11 from CMP308 and CMP361 (CMP362)	Ofgem published their minded-to decision consultation on 21 September 2022 and stated they are minded to approve CMP361 WACM5 (CMP361 WACM5 provides a fixed tariff period of 1 year, with 3 months' notice provided to Users ahead of the fixed tariff period and a 5-year BSUoS Fund Recovery) and the CMP362 Original. Minded-to decision consultation closes 19 October 2022 after which Ofgem will assess any responses received, before publishing a final decision.	
CMP388	Transmission Demand Residual (TDR) minor clarifications	Final Modification Report was sent to Ofgem on 6 July 2022. Ofgem confirmed a decision will be published by end of October 2022.	
CMP389	Changes related to Transmission Demand Residual (TDR) band boundaries	Final Modification Report was sent to Ofgem on 6 July 2022. Ofgem confirmed a decision will be published by end of October 2022.	
CMP390	Updating Connection application forms to enable disclosure of information to government for purposes of the National Security and Investment (NSI) Act 2021	Final Modification Report was sent to Ofgem on 6 July 2022. Ofgem's latest expected decision dates table (as at 22 July 2022) indicates a decision date of 3 February 2023.	
CMP395	Cap BSUoS costs and Defer payment to 2023/24 to protect GB customers	Final Modification Report was sent to Ofgem on 21 September 2022. Decision was expected on 29 September 2022; however, Ofgem confirmed at the Panel on 30 September 2022 that a decision on CMP395 is expected w/c 3 October 2022.	

Ofgem publish a table that provides the expected decision date, or date they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision. This was last updated on 22 July 2022 and is published here.



Prioritisation Stack

For each Modification in the prioritisation stack, Panel have determined if the Priority is "High", "Medium to High", "Medium", "Low to "Medium" or Low". Panel continue to review the prioritisation stack on a monthly basis and every quarter hold a more in-depth review (ahead of this review, Proposers will be asked to provide updated justification against the prioritisation criteria). This next indepth review is planned to be carried out at our October 2022 Panel.

At September 2022 Panel, the CUSC Panel discussed the prioritisation of the following Modification:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
CMP398	Proposes to introduce a codified cost recovery mechanism to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations proposed under GC0156.	Panel agreed that CMP398 should be placed medium to high on the prioritisation stack due to the alignment with GC0156: Facilitating the Implementation of the Electricity System Restoration Standard.	Medium to high

The latest prioritisation stack can be found here https://www.nationalgrideso.com/calendar/cusc-panel-meeting-20

In flight Modifications

The next Modification Tracker will be published on 7 October 2022.

Workgroup Reports

The following Workgroup Report was presented to the Panel:

CMP286/CMP287 'Improving TNUoS Predictability through Increased Notice of the Target Revenue (CMP286) and inputs (CMP287) used in the TNUoS Tariff Setting Process'

Seeks increased notice of the Target Revenue (CMP286) and inputs (CMP287) used in the TNUoS Tariff Setting Process.

The Panel agreed that the Terms of Reference have been met and agreed for **CMP286/CMP287** to proceed to Code Administrator Consultation. The Code Administrator Consultation will be published on 4 October 2022, and this will close at 5pm on 25 October 2022.

CMP286/CMP287 documentation can be found here

Draft Final Modification Reports

The following Draft Final Modification Reports were presented to the Panel:



CMP363/CMP364 'TNUoS Demand Residual charges for transmission connected sites with a mix of Final and non-Final Demand (CMP363) and Definition changes for CMP363 (CMP364)

CMP363 seeks to clarify the TNUoS Demand Residual charging arrangements for transmission connected sites that have a mix of Final and non-Final Demand. **CMP364** is to support **CMP363** by changing Section 11 to add/amend/remove definitions as needed.

For **CMP363**, Panel unanimously recommended that both options better facilitated the CUSC Objectives than the current CUSC and there was a majority preference (5 out of 8 votes) for WACM1¹. For **CMP364**, Panel unanimously recommended that the Original solution is implemented.

CMP363/CMP364 Final Modification Report will be issued to Ofgem on 12 October 2022.

CMP363/CMP364 documentation can be located here

CMP384 'Apply adjustments for inflation to manifest error thresholds using Indexation'

CMP384 seeks to ensure that fixed manifest error thresholds stated within the CUSC account for inflation and are better aligned with current TNUoS tariffs to which they relate.

The Panel unanimously recommended that the Original solution is implemented. CMP384 Final Modification Report will be issued to Ofgem on 12 October 2022.

CMP384 documentation can be found here

Other

CMP311 'Reassessment of CUSC credit requirements for Suppliers, specifically for "User Allowed Credit" as defined in Section 3, Part III section 3.27 of the CUSC'

On 22 September 2022, Proposer notified the Code Administrator that they no longer wish to be Proposer of **CMP311**, which seeks to change the amount of credit that is allowed to Suppliers under the User Allowed Credit requirements.

CUSC 8.16.10 defines the process for withdrawal and industry were notified on 22 September 2022 and had until 5pm on 29 September 2022 to express their wish to become the new Proposer. As no-one expressed a wish to become the new Proposer by 5pm on 29 September 2022, Panel, on 30 September 2022, were asked under CUSC 8.16.10(b) to agree to the withdrawal of **CMP311** – Panel agreed.

Questions or feedback?

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¹ As per CMP363 Original but using Settlement Metering as the default with Operational Metering as a fallback where Settlement Metering isn't practical or economical