

# CUSC Panel Minutes: 28 October 2022

## CUSC Panel Minutes: Meeting Number 304

**Date:** 28/10/2022      **Location:** Faraday House, Warwick

**Start:** 10:00am      **End:** 12:30pm

### Participants

Attendee	Initials	Company
Trisha McAuley	TM	Independent Panel Chair
Paul Mullen	PM	Code Administrator, National Grid Electricity System Operator (Presenter of CMP400)
Ren Walker	RW	Technical Secretary, Code Administrator, National Grid Electricity System Operator
James Stone	JS	National Grid Electricity System Operator (Alternate)
Andy Pace	AP	Users' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Grace March	GM	Users' Panel Member
Joseph Dunn	JD	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Mark Duffield	MD	Users' Panel Member (Alternate)
Apologies	Initials	Company
Karen Thompson – Lilley	KTL	National Grid Electricity System Operator

Claire Huxley	CH	National Grid Electricity System Operator (Alternate)
Binoy Dharsi	BD	Users' Panel Member
Andrew Enzor	AE	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
<b>Observers/Presenters</b>	<b>Initials</b>	<b>Company</b>
Rashmi Radhakrishnan	RR	BSC Observer
Terri Puddefoot	TP	Code Administrator, National Grid Electricity System Operator
Joe Henry	JH	National Grid Electricity System Operator (Proposer of CMP399 and Presenter of CMP401)
Laura Woolsey	LW	Cornwall Insight – Observer

### 1. Introductions, Apologies for Absence, and declaration of interests

11725. Apologies were received from Karen Thompson – Lilley, Claire Huxley, Binoy Dharsi, Andrew Enzor and Nadir Hafeez.

### 2. Approval of minutes from previous meetings

11726. The meeting minutes from the CUSC Panel held on 13 and 21 September 2022 were approved, subject to one minor amendment being made. The minutes from the Panel held on 30 September 2022 will be presented for approval at November's Panel meeting.

### 3. Action log

11727. The CUSC Panel reviewed the open actions from the meeting held on 30 September 2022, which can be found on the Actions Log.

### 4. Chair update

11728. The Chair had no further updates for the Panel.

### 5. Authority decisions

11729. PM (on behalf of Ofgem) confirmed that the decision on CMP395 has been made since the Panel meeting that was held on 30 September 2022:

Modification	What this seeks to achieve	Decision
<b>CMP395</b>	Seeks to cap BSUoS per Settlement Period from 1 October 2022 (or such later date as the Authority may specify) to 31 March 2023, recoup the money in charging year 2023/24; and cap	Decision was received 5 October 2022 approving WACM3 (as per Original except cap BSUoS at £40/MWh rather than £15/MWh). CMP395 WACM3 came into effect from 1st Settlement

	the liability to be carried by the ESO	Period (00:00 to 00:30) on 6 October 2022
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## Awaiting Decisions

11730. The summary table below sets out which Modifications are with the Authority for decision, together with the expected decision date:

Modification	What this seeks to achieve	Expected Decision Date
<b>CMP288</b>	Explicit charging arrangements for customer delays and backfeeds into transmission connections	30 November 2022
<b>CMP292</b>	Introduces a cut-off date for changes to the Charging Methodologies	31 October 2023
<b>CMP298</b>	Process for aggregated assessment of Distributed Generators that impact (or may impact) on the National Electricity Transmission System.	30 November 2022
<b>CMP328</b>	Establish the process when any connection triggers a Distribution impact assessment.	30 November 2022
<b>CMP361/CMP362</b>	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)	31 October 2022 ( <b><i>Post Meeting Note: Code Admin understand that this will be delayed and await revised expected decision date from Ofgem</i></b> )
<b>CMP363/CMP364</b>	TNUoS Demand Residual charges for transmission connected sites with a mix of Final and non-Final Demand (CMP363) and definition changes (CMP364)	Early December 2022 ( <b><i>Post Meeting Note: 9 December 2022</i></b> )
<b>CMP384</b>	Apply adjustments for inflation to manifest error thresholds using Indexation	31 January 2023
<b>CMP388</b>	Transmission Demand Residual (TDR) minor clarifications	16 December 2022
<b>CMP389</b>	Changes related to Transmission Demand Residual (TDR) band boundaries	16 December 2022
<b>CMP390</b>	Updating Connection application forms to enable disclosure of information to government for purposes of the National Security and Investment (NSI) Act 2021	3 February 2023

## 6. New modifications

[CMP399: CUSC Section 14 – Minor changes update](#)

11731. JH from National Grid ESO delivered a presentation on CMP399. JH explained that CMP399 seeks to make minor amendments to CUSC Section 14.
11732. The Panel, by majority, agreed that **CMP399** should follow the Self-Governance route and proceed to Code Administrator Consultation. The Code Administrator Consultation will be held from 3 November 2022 to 5pm on 24 November 2022. ***(Post meeting Note: The Code Administrator Consultation was opened on 3 November 2022 and will close 5pm on 24 November 2022)***
11733. Even though a majority agreed that **CMP399** should follow the Self-Governance route (as no material impact on actual charges), a Panel member (supported by another Panel Member) queried as to whether or not Section 14 Modifications could indeed be Self-Governance regardless of materiality and believed that the Third (Energy) Package namely 72/2009, Article 37(6)(a) could suggest that Ofgem need to make the decision on any Section 14 Modifications. ***(Post Meeting Note: Flagged to Ofgem, who remain content at this stage for the Code Administrator Consultation to be sent out based on Self-Governance but noted they can intervene under CUSC 8.25.2<sup>1</sup>)***

CMP400: CUSC Non - Section 14 – Minor changes update

11734. PM (acting as alternative Proposer) delivered a presentation on CMP400. PM explained that CMP400 seeks to make minor amendments to CUSC which sit outside of Section 14.
11735. The Panel unanimously agreed that **CMP400** should follow the Self-Governance route and proceed to Code Administrator Consultation. The Code Administrator Consultation will be run from 3 November 2022 to 5pm on 24 November 2022. ***(Post meeting note: The Code Administrator Consultation was opened on 3 November 2022 and will close 5pm on 24 November 2022).***

CMP401: Maintaining Non - Half Hourly (NHH) charging arrangements for Measurement Classes F and G

11736. JH (presenting on behalf of the Proposer) delivered a presentation on CMP401. JH explained that as a result of CMP318, the period by which Meter Point Administration Numbers (MPANs) in Measurement Classes F and G are treated as NHH for TNUoS was extended to 31 March 2023. CMP401 seeks to amend this date to align with the introduction of the Market Wide Half Hourly Settlement (MWHHS) Programme and relevant subsequent charging year.
11737. JH advised that without a change, Suppliers will be charged (on a per-MPAN basis) both the NHH (Non – Half Hourly) and HH (Half – Hourly) tariffs for the same site within one Charging Year for certain demand. This is double-charging and will likely lead either to windfall losses to Suppliers or to increased consumer costs. Without the extension / adjustment end users in Classes F and G would move to HH settlement with adverse financial consequences.

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<sup>1</sup> 8.25.2 The Authority may, at any time prior to the CUSC Modifications Panel's determination made pursuant to Paragraph 8.25.9, give written notice that it disagrees with the Self-Governance Statement and may direct that the CUSC Modification Proposal proceeds through the process for Standard CUSC Modification Proposals set out in Paragraphs 8.19, 8.20, 8.22 and 8.23.

11738. The Panel unanimously agreed that **CMP401** should follow the Standard Governance route and, by majority, that it should proceed to Code Administrator Consultation. This was subject to minor changes to the legal text to define Market Wide Half Hourly Settlement Reform and link it to a Milestone within such programme. Code Administrator Consultation is planned to be run from 10 November to 5pm on 1 December 2022.

## 7. In Flight Modification Updates

11739. PM talked the Panel through the progression of the in-flight modifications. The in-flight modifications can be found within the CUSC Panel papers pack on the National Grid ESO website via the following link:

<https://www.nationalgrideso.com/calendar/cusc-panel-meeting-21>

11740. PM also presented the latest rolling 12-month cross code view of all the Workgroups currently planned in and when Workgroup Reports and Draft Final Modification Reports are planned to be presented to the Panel, together with a view of modifications that are likely to be raised in the same period.

### CMP376: Inclusion of Queue Management process within the CUSC

11741. PM advised the Panel that the CMP376 Workgroup agreed that further Workgroups will be needed to check that the proposed milestones are appropriate and further discuss what contract changes will mean for the milestones. PM noted there will be a further Workgroup ahead of the Workgroup Consultation and a further Workgroup post Workgroup Consultation (as Workgroup Alternatives are likely). The Panel agreed to the revised timeline for CMP376.

### CMP392: Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation

11742. PM advised that the next Workgroup will be held on 23 November 2022. However, given other priorities, this will mean a 1-month delay to the Workgroup Report being issued to Panel (March 2023 rather than February 2023). PM confirmed that work is continuing on the ESO's interim Connections Exclusion guidance and that a first draft was shared with the Workgroup on 26 September 2022. The Panel agreed to the revised timeline for CMP392.

### CMP331: Option to replace generic Annual Load Factors (ALFs) with site specific ALFs

11743. PM presented revised Terms of Reference for CMP331. The CUSC Panel agreed to the amendments made to the Terms of Reference.

### CMP393: Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage & CMP394: Removing Generation Charges from Electricity Storage Operators in Positive TNUoS Zones

11744. PM presented revised Terms of Reference for CMP393 & CMP394. The CUSC Panel agreed to the amendments made to the Terms of Reference.

## 8. Discussions on Prioritisation

11745. The Panel reviewed the Prioritisation Stack and made the following changes:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
<b>CMP304</b>	<i>Seeks to enable reforms to commercial Reactive Power services that, in the Proposer's view would create new opportunities for providers.</i>	<i>Prioritisation was discussed at October 2022 Panel and priority was not changed, as there remains a need for reactive services. However, the Panel (and Proposer) agreed that work on CMP304 is paused until such time that the ESO team, who are leading on the Reactive Reform (Market Design), have completed their Feasibility studies, which in turn will help to inform the Proposer's solution.</i>	Maintained at Medium

The current prioritisation stack can be found via the following link:

<https://www.nationalgrideso.com/calendar/cusc-panel-meeting-21>

## 9. Workgroup Reports

11746. No Workgroup Reports presented to Panel.

## 10. Draft Final Modification Reports

11747. No Draft Final Modification Reports presented to the Panel.

## 11. Standing Groups

### Transmission Charging Methodology Forum (TCMF)

11753. JS advised the Panel that the TCMF meeting was held on 6 October 2022. The papers and presentations for this meeting can be found via the following link:

<https://www.nationalgrideso.com/calendar/transmission-22>

The next TCMF meeting will be held on 3 November 2022.

### Joint European Stakeholder Group (JESG)

11754. GG advised that the JESG meeting was held on 18 October 2022. The papers and presentations for this meeting can be found via the following link:

<https://www.nationalgrideso.com/calendar/jesg-meeting-18-october-2022>

The next JESG meeting will be held on 8 November 2022.

### Governance Standing Group

11755. No further updates for the Panel.

### EU Codes

11756. No further updates for the Panel.

## 12. Update on other Industry Codes

11757. PM advised the Panel that urgent Grid Code Modification ([GC0160](#): *Grid Code Changes for BSC Mod P448: "Protecting Generators subject to Firm Load Shedding during a Gas Supply Emergency from excessive Imbalance Charges"*) is currently at Workgroup Consultation phase.

### 13. Relevant Interruptions Claim Report

14. 11758. Panel noted the latest Relevant Interruptions Claim Report (to cover the period 1 July 2022 to 30 September 2022) and PM reaffirmed that there are two outstanding claims (80 and 84) awaiting payment and PM is still seeking clarity from the ESO Connections team when these will be paid. The Chair and Panel asked that their continuing concern about this delay be communicated again to the Connections team.

### 15. Governance

11759. No further updates for the Panel.

### 16. Horizon Scan

11760. No further updates for the Panel.

### 17. Forward Plan Update

11761. No further updates for the Panel.

### 18. AOB

11762. The Panel had no AOB to discuss.

**The next monthly CUSC Panel meeting will be held on Friday 25 November 2022 via Microsoft Teams.**