

CUSC Panel Minutes: 26 August 2022

CUSC Panel Minutes: Meeting Number 302

Date: 26/08/2022 **Location:** Microsoft Teams

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
Ren Walker	RW	Technical Secretary, Code Administrator, National Grid Electricity System Operator
Karen Thompson – Lilley	KTL	National Grid Electricity System Operator
Andy Pace	AP	Users' Panel Member
Andrew Enzor	AE	Users' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Cem Suleyman	CS	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joseph Dunn	JD	Users' Panel Member
Nadir Hafeez	NH	Authority Representative
Apologies	Initials	Company
Claire Huxley	CH	National Grid Electricity System Operator (Alternate)
Mark Duffield	MD	Users' Panel Member (Alternate)

Grace March	GM	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Observers/Presenters	Initials	Company
Nicholas Rubin	NR	BSC Observer
Rashmi Radhakrishnan	RR	BSC Observer

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

11608. Apologies were received from Claire Huxley, Mark Duffield, Grace March and Paul Jones. TM advised the Panel that this will be the final Panel with Nick Rubin as the BSC Observer, and Rashmi Radhakrishnan will be taking his place going forward. TM thanked Nick Rubin for his contributions on the CUSC Panel and wished him luck for his new role.

2. Approval of minutes from previous meetings

11609. The meeting minutes from the CUSC Panel held on 29 July 2022 were approved.

3. Action log

11610. The CUSC Panel reviewed the open actions from the meeting held on 29 July 2022, which can be found on the Actions Log.

4. Chair update

11611. The Chair advised the Panel that she had a meeting with Jon Wisdom (in his capacity as Chair of the TNUoS Task Force) re: TNUoS Taskforce meeting of 10 August 2022. The overall conclusion from this meeting on 10 August 2022 was that in-flight Modifications should progress as planned but the TNUoS Taskforce will inform Panel of any further developments that could impact in-flight Modifications. It was also noted that Panel members who sat on the Task Force had agreed to keep the Task Force informed of any new CUSC modifications that might impact the work of the Task Force.

5. Authority decisions

11612. NH confirmed that the following decisions have been made since the Panel meeting that was held on 29 July 2022:

Modification	What this seeks to achieve	Decision
CMP395	Seeks to cap BSUoS per Settlement Period from 1 October 2022 to 31 March 2023, recoup the money in charging year 2023/24; and cap the liability to be carried by the ESO	Ofgem granted Urgency on 19 August 2022
CMP396	Seeks to re-introduce BSUoS on Interconnector Lead Parties	Ofgem did not grant Urgency on 19 August 2022

Awaiting Decisions

11613. NH provided an update at the Panel on Modifications awaiting decisions. 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
CMP288	Explicit charging arrangements for customer delays and backfeeds for transmission connections	Final Modification Report was issued to Ofgem 10 August 2022 – no expected decision date yet
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's latest expected decision dates table (as at 22 July 2022) indicated a decision date of 26 August 2022; however at CUSC Panel on 26 August 2022 Ofgem advised that the minded to decision consultation ahead of this decision will now be issued in ~ mid- September 2022 and means CMP361 and CMP362 decisions will be delayed most likely beyond the end of October 2022 - Ofgem to advise of revised expected decision date.
CMP388	Transmission Demand Residual (TDR) minor clarifications	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 30 September 2022.

CMP389	Changes related to Transmission Demand Residual (TDR) band boundaries	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 30 September 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.

6. New modifications

11614. No new modifications were presented to the Panel.

7. In Flight Modification Updates

11615. 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-19>

11616. 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.

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

11617. PM advised the Panel that the next Workgroup meeting scheduled for 5 September 2022 has been postponed as CMP395 was granted Urgency and CMP392 is "Medium" in the prioritisation stack. The next Workgroup meeting will be on 6 October 2022. The Panel agreed to the revised timeline for CMP392.

8. Discussions on Prioritisation

11618. The Panel reviewed the Prioritisation Stack and made the following changes:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
CMP304	Seeks to enable reforms to commercial Reactive Power services that, in the Proposer's view would create new opportunities for providers.	Prioritisation was not changed. However, Proposer is content to wait for ~ 2 months whilst the ESO team who are leading on the Reactive Reform (Market Design) project finalise their conclusions but would be keen to restart Workgroups if conclusions are	Remained at "Medium"

		not to be reached in the foreseeable future.	
CMP396	Seeks to re-introduce BSUoS on Interconnector Lead Parties	Placed as “Medium to High” because there appears to be direct impact on competition and the end consumer. However, the Panel agreed that independent legal advice needs to be commissioned first as important to determine whether or not this proposed change is legally permissible. Panel also set a revised Terms of Reference on this basis and requested that the 1 st Workgroup develop and agree the request for legal opinion which would then be issued to an independent Queen’s (now King’s) Counsel (KC). Once the KC opinion has been finalised, this will be issued to Panel, who would then revise Terms of Reference and review current “Medium to High” priority	Placed as “Medium to High”

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

<https://www.nationalgrideso.com/electricity-transmission/calendar/cusc-panel-meeting-19>

9. Workgroup Reports

CMP316: TNUoS Charging Methodology for Co-located Generation

11619. PM delivered a presented on CMP316 to the Panel. PM advised that, currently, Generation sites which comprise multiple technology types within one Power Station are termed “co-located”. CMP316 seeks to develop a cost-reflective approach to allow the CUSC charging methodology to accommodate the growing number of such sites.
11620. PM stated that concerns were raised in the Workgroup regarding the Original Proposal, that it pro-rates Transmission Entry Capacity (TEC) across all elements of the tariff and therefore does not stay true to the intention of the differing wider tariff calculations to reflect different times of operation. Also, that the Original Proposal would understate the level of output where the station TEC is less than total installed capacity or overstate it in the unlikely situation where the station TEC is higher than total installed capacity. A Workgroup Alternative has been raised to address this perceived issue.
11621. PM noted that if CMP316 is approved, it is potentially necessary to also change three Exhibits to the CUSC which will be raised by the ESO through a new consequential modification, which is planned to be raised in September 2022 with a proposed straight-to-Code Administrator Consultation timeline. The three Exhibits to potentially be changed are:

CUSC Exhibit B Connection Application (BCAs); Exhibit D BEGA Application; and Exhibit I Modification Application.

11622. On the Workgroup vote, PM noted that 1 out of 5 voting members voted that the Original better facilitated the applicable objectives than the baseline and 4 out of 5 voting members voted that WACM1 better facilitated the applicable objectives than the baseline.
11623. PM advised that, following feedback from a Panel Member, a further annex (Annex 8), which outlined calculations for WACM1, was added to the CMP316 Workgroup Report.
11624. The Panel agreed that the Terms of Reference have been met and agreed for CMP316 to proceed to Code Administrator Consultation. A consequential Modification will be presented to September 2022 Panel and will be proposed to go straight to Code Administrator Consultation and therefore for efficiency the Code Administrator plan to issue this Code Administrator Consultation and the CMP316 Code Administrator Consultation at the same time. Therefore, the CMP316 Code Administrator Consultation will be published on 4 October 2022, and this will close at 5pm on 25 October 2022.

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

11625. RW delivered a presentation on CMP384. RW explained that this modification 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.
11626. RW advised the Panel that the CMP384 Workgroup Consultation was held between 17 June and 8 July 2022 and received 4 non – confidential responses and no alternatives were raised. Key points from the consultation were as follows:
- Respondents believed that the CMP384 Original proposal better facilitates applicable objectives (a), (b), (c) and (e);
 - The majority of respondents supported the implementation approach for CMP384;
 - All respondents supported the new manifest error thresholds and the effect they will have on Users being just below/above the threshold; and
 - All respondents agreed there should not be a different threshold and or timings for reconciliation of a credit vs charge.
11627. The Workgroup held their Workgroup vote on 10 August 2022. RW confirmed that 6 out of 6 voting members voted that the Original better facilitated the applicable objectives than the baseline.
11628. The Panel agreed that the Terms of Reference have been met and agreed for CMP384 to proceed to Code Administrator Consultation. ***(Post Meeting Note: The Code Administrator Consultation was published on 30 August 2022, and this will close on 21 September 2022).***

10. Draft Final Modification Reports

11629. No Draft Final Modification Reports were presented to Panel.

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

11630. KTL advised the Panel that the TCMF meeting was held on 4 August 2022. The papers and presentations for this meeting can be found via the following link:

<https://www.nationalgrideso.com/calendar/transmission-20>

The next TCMF meeting will be held on 6 October 2022.

Joint European Stakeholder Group (JESG)

11631. GG advised that the JESG meeting for August was cancelled. The next meeting will be held on 13 September 2022. The papers and presentations for this meeting can be found via the following link:

<https://www.nationalgrideso.com/calendar/jesg-meeting-13-september-2022>

Governance Standing Group

11632. No further updates for the Panel.

EU Codes

11633. No further updates for the Panel.

12. Update on other Industry Codes

11634. NR advised that Elexon are currently running their Panel elections. NR noted that the BSC are using a new portal for Panel elections instead of forms to complete and return and noted that this could be best practice for when the Grid Code and CUSC Panel elections are due to commence. PM stated that he would feed this back to the team; however, this would be too late in the process to change for the Grid Code Panel elections as these have already started. PM confirmed that the team would contact Elexon to find out further information on the process Elexon followed.

11635. NR stated that Sara Vaughan will be taking over as the BSC Panel Chair, effective from 1 October 2022.

13. Relevant Interruptions Claim Report

11636. No further updates for the Panel.

14. Governance

11637. No further updates for the Panel.

15. Horizon Scan

11638. PM presented the horizon scan to Panel. GG highlighted that in light of progressing with [GC0156: Facilitating the Implementation of the Electricity System Restoration Standard](#), it has been highlighted that new obligations requiring changes to the CUSC could take longer to progress than previously predicted and asked the ESO to consider bringing forward the consequential CUSC Modifications.

11639. NR questioned if there has been any BSC impacts identified in relation to Offshore Coordination. KTL confirmed there are currently no impacts identified, but that she would, however, inform the Panel if this changes.

16. Forward Plan Update

11640. No further updates for the Panel.

17. AOB

Energy Code Governance Reform Update

11641. NH provided an update on the Energy Code Governance Reform. NH advised that Ofgem intend to publish outputs by the end of September/beginning of October 2022 with regards to code obligations and stakeholder licence forums. NH stated that Ofgem had a meeting with joint Code Panel Chairs and will look to meet with the Code Administrators in early September. The Chair added that she had been unable to attend this meeting.

Publication of updated Urgency Criteria Guidance

11672. NH advised that Ofgem updated and published their urgency criteria and guidance on 2 August 2022, to reflect that the requirements of the electricity Master Registration Agreement (MRA) and gas Supply Point Administration Agreement (SPAA), and a number of smaller codes and codes of practice, were consolidated into the Retail Energy Code (REC). There are no changes that impact CUSC.

The next monthly CUSC Panel meeting will be held on Friday 30 September 2022 via Microsoft Teams.