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Abid Sheikh Industry Codes Manager Ofgem **By email**

28th August 2015

Dear Abid

CUSC Modifications Panel Views on Urgency for 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'.

On 19th August 2015, British Gas raised CMP251, with a request for the proposal to be treated as an Urgent CUSC Modification Proposal. The CUSC Modifications Panel ("the Panel") considered CMP251 and the associated request for urgency at the CUSC Modifications Panel meeting held on 28th August 2015. This letter sets out the views of the Panel on the request for urgent treatment and the procedure and timetable that the Panel recommends.

Request for Urgency

The Panel considered the request for urgency with reference to Ofgem's Guidance on Code Modification Urgency Criteria. The unanimous view of the Panel is that <u>CMP251 should NOT be treated as an Urgent CUSC Modification Proposal</u>.

• The issue is complex and should be developed properly within a Workgroup without rushing the process.

In the discussion, members of the Panel also noted concerns over granting urgency, set out below;

• Using an urgent process holds an inherent risk of unintended consequences, which may arise due to there being insufficient time for all aspects of a Modification Proposal to be considered;

Procedure and Timetable

Having decided not to recommend urgency to Ofgem, the Panel discussed an appropriate process for CMP251. The Panel agreed that CMP251 would require a Workgroup and subject to Ofgem's decision on Urgency should following the standard four month Workgroup process.

The Panel Members agreed that the attached timetable should be used; however the Workgroup should be mindful to progress the modification within a timely manner.

Please do not hesitate to contact me if you have any questions on this letter or the proposed process and timetable. I look forward to receiving your response.

Yours sincerely

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Michael Toms CUSC Panel Chair

Appendix: Proposed timetable

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|--------------------------------|---|
| 19 th August 2015 | CUSC Modification Proposal and request for Urgency submitted |
| 28 th August 2015 | CUSC Panel considers Proposal and request for Urgency |
| 28 th August 2015 | Request for Workgroup members (5 Working days) |
| 28 th August 2015 | Panel's view on urgency submitted to Ofgem for consideration |
| 2 nd September 2015 | Ofgem view on urgency provided |
| W/C28th September 2015 | Workgroup meeting 1 |
| W/C 12th October 2015 | Workgroup meeting 2 |
| 27th October 2015 | Workgroup Consultation issued (15 Working days) |
| 17th November 2015 | Deadline for responses |
| 20th November 2015 | Workgroup meeting 3 |
| 10th December 2015 | Workgroup report issued to CUSC Panel |
| 18th December 2015 | Workgroup report presented to CUSC Panel |
| 4 th January 2016 | Code Administrator Consultation issued |
| 25 th January 2016 | Consultation closes |
| 28th January 2016 | Draft FMR published for industry comment |
| 4th February 2016 | Deadline for comments |
| 18th February 2016 | Draft FMR issued to Panel |
| 26th February 2016 | Panel Recommendation Vote |
| 29th February 2016 | Final FMR circulated for Panel comment |
| 7th Marh 2016 | Deadline for Panel comment |
| 10th March 2016 | Final report sent to Authority for decision |
| 14th April 2016 | Indicative Authority Decision due |
| 28th April 2016 | Implementation Date |
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