

Trisha McAuley OBE  
Independent Chair  
CUSC & Grid Code Panel

Nadir Hafeez  
Ofgem  
**By email**

2 December 2019

Dear Nadir

**Connection and Use of System Code (CUSC) Modification Panel Request for Urgency and Recommended Timetable for CMP327 ‘Removing the Generator Residual from TNUoS Charges (TCR) and CMP317 ‘Identification and exclusion of Assets Required for Connection when setting Generator Transmission Network Use of System (TNUoS) charges’**

On 28 November 2019, National Grid ESO raised CMP327. The Proposer sent a request to the CUSC Panel Secretary and Independent Chair for the modification to be treated as urgent.

The CUSC Modifications Panel ("the Panel") on 29 November 2019 considered CMP327 and the associated request for urgency at the CUSC Modifications Panel meeting held on 29 November 2019. This letter sets out the views of the Panel on the request for urgent treatment and the procedure and timetable that the Panel recommends.

CMP 327 identifies the following defect: The ESO, as the Licensee responsible for the CUSC, has received an Authority Direction to set the residual element of TNUoS to £0 for Generator Users. To do this, the TNUoS generation residual (TGR) should be removed from the methodology.

All documentation for this modification can be located via the following link:  
<https://www.nationalgrideso.com/codes/connection-and-use-system-code-cusc/modifications/removing-generator-residual-tnuos-charges>

The Proposer set out their rationale within the proposal form, which is the following:

*“This CMP should be treated as Urgent because it has to be implemented by April 2021, which means the solution to this, and CMP317, on which it is contingent, must be approved and in place by October 2020. At the time of drafting this CMP, CMP317, has had 6 Workgroup meetings and is yet to undergo consultation. Both this CMP and CMP317, therefore, need to be treated as Urgent to ensure that the ESO can comply with the Direction letter. This Direction, published 21st November 2019, states that as of 1st April 2021, there will be no TGR. Failure to treat this CMP and its now counterpart CMP317 as Urgent will likely result in the Targeted Charging Review SCR Decisions being implemented later than required by The Authority.”*

Within their Direction letter to National Grid ESO on 21 November 2019, Ofgem noted that this proposal must be developed alongside the existing CMP317 Working Group to ensure that the correct interpretation of the connection exclusion is adopted and that an ex ante and ex post methodology of ensuring compliance is adopted. Therefore, the request for Urgency equally applies to CMP317. The Panel, in accordance with CUSC 8.19.3 also decided that CMP327 be amalgamated with CMP317; however, as CMP327 is an Authority directed Modification, approval from the Authority is required under CUSC 8.17A.4. We will be writing separately to the Authority on this matter.

### **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 **CMP327 does meet** these criteria and **SHOULD** be treated as an Urgent CUSC Modification Proposal.

Under CUSC Section 8.24.4, we are now consulting the Authority as to whether this Modification is an Urgent CUSC Modification Proposal.


### **Procedure and Timetable**

Having decided to **recommend urgency** to Ofgem, the Panel discussed an appropriate timetable for CMP327 and CMP317.

The Panel agreed that CMP327 and CMP317 subject to Ofgem's decision on Urgency should follow the attached Code Administrator's proposed timetable (Appendix 1 **Urgent recommendation**).

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



Trisha McAuley OBE  
Independent Chair of the CUSC and Grid Code Panel

<b>Modification Stage</b>	<b>Date</b>
Request for Urgency Received	28 November 2019
Panel consideration of Urgency	29 November 2019
Ofgem decision on Urgency	6 December 2019
Publish Workgroup Consultation (15 Working Days)	17 February 2020
Workgroup Consultation closes	9 March 2020
Workgroup Report issued to Panel (5 Working Days ahead of Panel)	16 April 2020
Workgroup Report presented to Panel	24 April 2020
Publish Code Administrator Consultation (15 Working Days)	27 April 2020
Code Administrator Consultation closing date	19 May 2020
Draft Final Modification Report issued to Panel and Industry (5 Working Days ahead of Panel)	21 May 2020
Draft Final Modification Report presented to Panel / Panel Recommendation Vote	29 May 2020
Submit Final Modification Report to Authority	5 June 2020
Authority Decision (25 Working Days)	10 July 2020
Date of Implementation	1 April 2021

In the event that CMP327 and CMP317 is not granted urgent status it will be prioritised and a timetable will be drafted in conjunction with the Workgroup and CUSC Panel.