

## Headline Report – 28 August 2020

### Connection and Use of System Code (CUSC) Panel

The CUSC Panel Headline Report is produced after every CUSC 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 CUSC Panels on 16/17 July 2020, 31 July 2020\* and 6 August 2020 were approved at the CUSC Panel meeting on 28 August 2020. These will be uploaded to our website.

*\*Subject to minor amendments requested by Panel being incorporated*

### Prioritisation Stack

Between 29 May 2020 Panel and June Panel, all the Proposers with in-flight Modifications has provided updated justification against each of the Prioritisation Criteria – namely Complexity, Importance and Urgency. The June Panel carefully considered the views of the Proposers. For each Modification, Panel determined if the Priority was High, Medium to High, Medium, Low to Medium or Low.

The Prioritisation Stack continues to be reviewed on a monthly basis. However, there were no movements in the Prioritisation Stack this month.

Proposers continue to have the opportunity to feed their views into these discussions. Additionally, on a quarterly basis, Proposers will be asked to provide updated justification against the prioritisation criteria - this will be requested from Proposers at the start of October 2020 in readiness for assessment at October 2020's Panel.

### New Modifications

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No new Modification Proposals were presented for consideration.

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### New / Pending Authority Decision

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Ofgem advised that they have made decisions on the following since July Panel:

- Decision to approve **CMP350 WACM6** was received 13 August 2020 and this was implemented on 14 August 2020.
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Ofgem provided an update on other Modifications that are currently awaiting their decision:

- Ofgem acknowledged receipt of Final Modification Reports for **CMP324/325, CMP334, CMP317/327 and CMP339**. Ofgem are prioritising decisions on these Modifications and will provide a further update at Panel on 25 September 2020.
- Update on **CMP280** will be published in September 2020 – ESO clarified that 1 April 2021 implementation date is no longer achievable given the delay in decision.
- **CMP292** decision was expected 20 September 2019; however this has been further de-prioritised as Ofgem are prioritising decisions on the TCR Modifications (**CMP334, CMP317/327 and CMP339** and the associated Distribution Modifications).

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## In flight Modifications

Please refer to latest Modification Tracker for an update on each in flight Modification. This is published monthly at <https://www.nationalgrideso.com/industry-information/codes> and will be published on 7<sup>th</sup> of the following month or the next working day thereafter.

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## Draft Final Modification Reports

### **CMP342 'Clarification of VAT for Securities in the CUSC'**

CMP342 seeks to clarify, and confirm the position that NGESO has always applied, that when calculating the amount Users are required to secure under the CUSC, the amount of applicable Value Added Tax is to be included.

The CUSC Panel had unanimously agreed that CMP342 should follow the self-governance route and proceed to Code Administrator Consultation. At July 2020 Panel, Code Admin shared that there had been a challenge on material impacts of the proposed change from a respondent to the Code Administrator Consultation. Therefore, the Panel agreed to defer decision on the appropriate governance route to the August Panel.

At August Panel, Panel agreed by majority to maintain their decision that CMP342 should follow the self-governance route. Code Admin clarified the timeline and next steps and Panel then undertook the self-governance vote. Panel, by majority, determined that the Original proposal better facilitated the CUSC objectives and CMP342 will be implemented on 9 October 2020 unless there are any Appeals received in the 15 working day Appeals Window (anticipated to be 11 September 2020 to 2 October 2020).

**CMP342** documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp342>

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## Workgroup Reports

**CMP343/340 - Transmission Demand Residual bandings and allocation for 1 April 2022 implementation (TCR) (CMP343) and Consequential changes for CMP343 (CMP340)**

CMP343 creates a methodology to determine (i) the charging Bands and (ii) the tariffs for each Band, in order to charge the Transmission Demand Residual (TDR). CMP340 develops the definitions required for CMP343.

Nine other solutions for CMP343 and two other solutions for CMP340 have been developed by the CMP343/340 Workgroup.

The CUSC Panel unanimously agreed that CMP343/340 had met its Terms of Reference and could proceed to Code Administrator Consultation. Code Administrator Consultation was issued on 1 September 2020 and will close 5pm on 22 September 2020.

**CMP343/340** documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp343>

### **CMP335/336 - Transmission Demand Residual, billing and consequential changes to CUSC**

CMP335/336 seeks to revise Sections 3 & 11 (CMP335) and Section 14 (CMP336) of the CUSC to set out how/when the Residual is recovered from parties once the methodology for how the Residual charges are calculated is determined.

Two other solutions for CMP336 (but no other solutions for CMP335) have been developed by the CMP335/336 Workgroup.

The CUSC Panel unanimously agreed that CMP335/336 had met its Terms of Reference and could proceed to Code Administrator Consultation. Code Administrator Consultation was issued on 1 September 2020 and will close 5pm on 22 September 2020.

**CMP335/336** documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp335>

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## Questions or feedback?

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