

CUSC Modifications Panel

Actions Arising from Meeting No. 123 Held on 27 May 2011

Present

Duncan Burt	DB	Panel Chair
Steve Lam	SLa	Panel Secretary
Patrick Hynes	PH	Panel Member (National Grid Electricity Transmission)
Simon Lord	SL	Panel Member (Users' Member) – via teleconference
Bob Brown	BB	Panel Member (Users' Member)
Fiona Navesey	FN	Panel Member (Users' Member)
Garth Graham	GG	Panel Member (Users' Member)
Barbara Vest	BVe	Panel Member (Users' Member) – via teleconference
Paul Mott	PM	Panel Member (Users' Member)

In Attendance

Jon Dixon	JD	Ofgem representative – via teleconference
Alex Thomason	AT	National Grid

Apologies

Alison Kay	AK	Panel Chair
David Smith	DS	National Grid
Paul Jones	PJ	Panel Member (Users' Member)
Richard Hall	RH	National Consumer Council
Kathryn Coffin	KC	Elexon
Abid Sheikh	AS	Ofgem

All presentations given at this CUSC Amendments Panel meeting can be found in the CUSC Panel area on the National Grid website: <http://www.nationalgrid.com/uk/Electricity/Codes/systemcode/Panel/>

1 Introductions/Apologies for Absence

2753. Apologies were received from AK, DS, PJ, RH, KC and AS. BVe stated that she would be acting on behalf of PJ.

2 Minutes of the meeting held on 6 May 2011

2754. The draft Panel minutes were approved by the Panel.

3 Review of Actions

2755. **Minute 2729: AS to query whether Ofgem will provide a representative for the CMP197 Workgroup.** JD stated that he dialled into the CMP197 Workgroup meeting held on 24 May 2011. Therefore this action was complete.

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2756. **Minute 2730: SLa to issue draft CMP197 Terms of Reference to the Panel for approval. Complete.**
2757. **Minute 2735: NGET to update Terms of Reference to CMP191 and circulate to Panel. Complete.**
2758. **Minute 2736: NGET to update CMP192 Terms of Reference and circulate to Panel. Complete.**
2759. **Minute 2749: AS to provide an update on when the next CAWG will be held.** JD provided an update that the next Code Administrator Working Group would possibly take place in July 2011 but further details would be confirmed closer to the time.

4 New CUSC Modification Proposals

2760. **CMP198 - Proposer Ownership of CUSC Modification Proposals.** SLa gave a presentation on the new proposal which aims to allow proposers to change their modification at any time before the Workgroup vote takes place. SL asked whether CMP198 only allowed the proposer to retain ownership over the basic elements of the modification but the Workgroup would retain their rights over alternatives. SLa responded that the proposer could amend their proposal as long as it still addressed the original defect. This did not alter the rights of the Workgroup as they could still raise alternatives to the original proposal. FN asked whether CMP198 meant that the proposer's view could conflict with the Workgroup's view. GG responded that it could as long as the solutions proposed by both parties still addressed the defect. PH clarified that the key to the modification was that the Workgroup would still develop a new proposal as normal, except the proposer had control over what would be contained in the original modification. BVe asked what would happen if a Modification Proposal did not go to a Workgroup, but the industry responded to the Code Administrator consultation with significant comments. AT responded that it would be up to the Panel to decide whether to create a Workgroup to discuss comments on the proposal, but it was unlikely that such industry comments would arise as most new modifications are progressed to a Workgroup rather than straight to consultation.
2761. AT asked whether CMP198 should progress through the standard route or Self-governance. The Panel and JD agreed that CMP198 should be progressed to a Workgroup under the **standard route** as it did not meet the Self-governance criteria. SLa presented a draft timetable for progressing CMP198 which proposed a total of two Workgroup meetings. The Panel agreed with the timetable and for the Workgroup Report to be presented at the August 2011 Panel. AT stated that the Governance Standing Group (GSG) would be the host for the CMP198 Workgroup meeting and asked the Panel whether she could be appointed as chairman of the Workgroup in order to allow GG, who usually chairs the GSG, to be a Workgroup Member. GG confirmed he wished to be a Workgroup member. The Panel agreed to both requests.
2762. BB commented whilst he agreed that the Panel had to agree the Terms of Reference for Workgroups, the detail should be left to the Workgroup for development and should not be a matter for the Panel. GG responded that

the date for the submission of the Workgroup Report is hard coded in the Terms of Reference, but agreed that the rest of the timetable is indicative.

5 Workgroup/Standing Groups

2763. **CAP189 - Standard Gas Insulated Switchgear Ownership Boundaries.** AT presented the Workgroup Report for CAP189 and recommended to the Panel that it should proceed to the Code Administrator Consultation. GG asked whether a separate modification in relation to a standard exhibit to the CUSC for a DNO self-build agreement would be raised by National Grid or another party (as stated in paragraph 3.2 of the report). AT responded that it was the recommendation of the Workgroup that a separate modification would be raised. A draft of the exhibit had been developed by National Grid with several DNOs being asked for their input.
2764. The Panel accepted that the Workgroup had completed its Terms of Reference and agreed for CAP189 to be progressed to the Code Administrator Consultation in line with the proposed timetable.
2765. **CAP190 - Two-Thirds Majority Voting requirement for CUSC Panel recommendations on Amendments arising from Licence obligations, Authority requests or obligations.** AT provided an update to the Panel that this remained on hold until July 2011 pending the conclusion of CMP196.
2766. **CMP191 - NETSO Consultation in relation to any potential changes to the CUSC which takes place in forums other than the CUSC Modifications Panel.** BVe provided an update that the Workgroup Consultation would be published on 6 June 2011 but there were concerns from the proposer that it could be affected by the proposed Joint European Standing Group. GG stated that he would like the Panel to have oversight of the Standing Group with the Panel, in conjunction with the BSC and Grid Code Panels, appointing an independent chair. AT confirmed that it was the intention for the Panel to have oversight and to appoint (with the other Panels) the chair of the Joint European Standing Group. Additionally, AT stated that the National Grid European policy team had organised a Seminar to take place in mid July to provide an update on European developments.
2767. BB stated that he thought National Grid had been keen to set up the Standing Group which the Panel agreed with at the last meeting. AT agreed that this had been the intention but replied that the Workgroup wanted to put it on hold. GG added that the Workgroup wanted industry views on this before setting it up. FN asked what the target date was for the Standing group to be set up. AT replied that the draft Terms of Reference would be taken to the June Panel for agreement. GG added that the Terms of Reference developed at CMP191 and the draft for the Standing Group would be similar and should align over time. Additionally BVe provided feedback to the Panel that she believed the joint Workgroup for CMP191 had worked very well.
2768. **CMP192 - Enduring User Commitment.** PH provided an update that good feedback had been received for the last two meetings after the 6 May Panel. However PH added that the modification was very significant and more complex than the previous User Commitment modification (CAP131). Therefore in order to gain sufficient engagement and industry development PH proposed that an additional Workgroup meeting was required and to also

increase the Workgroup Consultation period to 4 weeks instead of the usual 3 weeks to take account of the complexity of the change and the summer holidays. This would delay the Workgroup Report submission to September 2011. PH added that he'd had some initial discussions with Ofgem and would send some revised timescales with key milestones for their approval.

2769. BVe stated that she was comfortable with the extension as it was preferable to get the modification right rather than rush it as the alternatives would require sufficient time to consider. PH added that he did not know how significant the alternatives would be therefore there was the potential for the assessment to be quick. GG stated that the Code Administrator Consultation could require a special meeting to discuss before being published, with the possibility of an industry seminar. SL agreed that a 1 month extension would be appropriate as the modification contained a lot of technical detail which took time to consider. BVe agreed with GG that a Seminar should be held after the Workgroup Consultation is published. PH confirmed that the plan was to hold a Seminar before the Workgroup Consultation concluded. Panel Members agreed to the extension proposed by PH. JD stated that Ofgem would await the timetable proposed by PH before agreeing to an extension.

Action: PH to send revised timetable for CMP192 to Ofgem, JD to confirm approval of the revised timetable and PH to circulate Ofgem approval to Panel and Workgroup members

2770. **CMP195 - Code Governance Review Post Implementation Clarifications.** SLa provided an update that the Workgroup Consultation was scheduled to be published on 27 May 2011 for a period of three weeks. However, SLa stated that some additional comments were sent by Ofgem on 25 May 2011 to the Workgroup which generated greater discussion via email between Workgroup Members. This was primarily to do with a clause in the CUSC which meant that charging modification proposals could only be implemented on 1 April of any given year. GG stated that he had sent comments to SLa but had not seen the latest correspondence from the Workgroup. SLa responded that he would discuss this with GG after the Panel meeting.
2771. **CMP196 - Revisions to "recommendations" in the final CUSC Modification Report.** AT provided an update that the second Workgroup consultation had been published on 19 May 2011 with a closing date of 2 June 2011.
2772. **CMP197 – Amendment to Qualifying Guarantor.** SLa provided an update that the Workgroup first met on 24 May 2011 and progressed through the Terms of the Reference. The next meeting was scheduled for 9 June 2011.
2773. **Frequency Response Working Group.** SLa provided an update that the FRWG had not met since the last Panel meeting. GG advised that this was also true for the GSG, which had used its scheduled meeting to consider CMP195.

6 European Code Development

2774. JD stated that there were no new updates in relation to European Code Development but he would check with the European team at Ofgem. BVe

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added that she had been inundated by emails from different code Panels and parties about EU code updates so there may be some which are relevant to the CUSC.

Action: JD to provide update on potential developments in Europe.

7 CUSC Modifications Panel Vote

2775. Prior to holding the votes for CMPs 193 and 194, SLA reminded the Panel that these were the first CUSC Modification Proposals to follow the Self-Governance process and that the Panel's vote would determine whether the proposals should be implemented, pending the conclusion of the Self-Governance appeal window.

2776. **CMP193 - Housekeeping modifications to Section 14 of the Connection and Use of System Code (CUSC).** The Panel voted unanimously that CMP193 should be implemented. The table below contains the detail for each vote for the **Use of System Charging Methodology** from the Panel Members:

Panel Member	Better facilitates Applicable Objective (a)?	Better facilitates Applicable Objective (b)?	Better facilitates Applicable Objective (c)?
Garth Graham	Yes. It provides better clarity to the Use of System Charging Methodology and therefore better facilitates Applicable Objective (a). Also agree with the proposed implementation as set out in paragraph 5.1 of the Modification Report, which is 10 working days after the Self-governance appeal windows has closed.	Neutral	Neutral
Pat Hynes	Yes. Provides greater clarity and therefore makes it easier to read which is beneficial to the industry. Also agree with the proposed implementation approach.	Neutral	Neutral
Bob Brown	Yes. Provides greater clarity which is important.	Neutral	Neutral
Paul Mott	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral

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Fiona Navesey	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral
Barbara Vest	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral
Barbara Vest (on behalf of Paul Jones)	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral
Simon Lord	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral

2777. The table below contains the detail for each vote for the **Connection Charging Methodology** from the Panel Members:

Panel Member	Better facilitates Applicable Objective (a)?	Better facilitates Applicable Objective (b)?	Better facilitates Applicable Objective (c)?	Better facilitates Applicable Objective (d)?
Garth Graham	Yes. It provides better clarity to the Connection Charging Methodology and therefore better facilitates Applicable Objective (a). Also agree with the proposed implementation as set out in paragraph 5.1 of the Modification Report, which is 10 working days after the Self-governance appeal windows has closed.	Neutral	Neutral	Neutral
Pat Hynes	Yes. Provides greater clarity and therefore makes it easier to read which is beneficial to the industry. Also agree with the proposed implementation approach.	Neutral	Neutral	Neutral
Bob Brown	Yes. Provides greater clarity which is important.	Neutral	Neutral	Neutral
Paul Mott	Yes. Reasoning	Neutral	Neutral	Neutral

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	same as Garth Graham's.			
Fiona Navesey	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral	Neutral
Barbara Vest	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral	Neutral
Barbara Vest (on behalf of Paul Jones)	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral	Neutral
Simon Lord	Yes. Reasoning same as Garth Graham's.	Neutral	Neutral	Neutral

2778. **CMP194 - Housekeeping modifications to Section 11 of the Connection and Use of System Code (CUSC).** The Panel voted unanimously that CMP194 should be implemented. The table below contains the detail for each vote against the Applicable CUSC Objectives from the Panel Members:

Panel Member	Better facilitates Applicable Objective (a)?	Better facilitates Applicable Objective (b)?
Pat Hynes	Yes. Provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Garth Graham	Yes. Provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Bob Brown	Yes. Provides greater clarity.	Yes. Facilitates greater understanding by the industry.
Paul Mott	Yes. Provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Fiona Navesey	Yes. Provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Barbara Vest	Yes. It is complementary to CMP193 and so provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Barbara Vest (on behalf of Paul Jones)	Yes. It is complementary to CMP193 and so provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.
Simon Lord	Yes. Provides clarity and better reflects the obligations placed by the transmission licence.	Yes. Facilitates greater understanding by the industry.

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2779. GG suggested that the Headline Report should contain the date of the start of the Self-governance appeal window and the actual closure of the appeal window date. PH added that it could be sent in a separate email to ensure industry parties were aware that a Self-governance decision had been made by the Panel. JD agreed that the decision should be set out in the Headline Report.

8 Authority Decisions as at 19 May 2011

2780. None

9 CUSC Key Performance Indicators – April 2011

2781. AT presented the latest KPIs. There were no comments.

10 Update on Industry Codes/General Industry Updates relevant to the CUSC

2782. GG provided an update on space weather recently discussed at the E3C meeting and explained that coronal mass ejection(s) from the sun could pose a risk to electricity generator transformers and network transformers, especially those near to the sea. GG stated that he would also flag this to the generator community via the Association of Electricity Producers (AEP). AT responded that National Grid provided a presentation on this subject matter at the operational forum.

Action: SLa to circulate link to presentation on space weather

Post meeting note: The link to the presentation can be found below:

http://www.nationalgrid.com/NR/rdonlyres/5F6F3A63-3C10-4A8C-84BD-A877BC5F753B/46492/04_GeomagneticallyInducedCurrents.pdf

2783. BVe added that the GCRP may also want to discuss this

Action: DS to provide update on space weather to GCRP

2784. **GCRP.** AT provided an update that the GCRP discussed the operational metering requirements for small power stations. Where a generator causes a DNO to export onto the Transmission system, some DNOs require generators to enter into a Bilateral Embedded Generation Agreement (BEGA) with National Grid and register a BMU to comply with the Grid Code. However, CUSC Parties are concerned about inconsistent treatment by DNOs.

2785. AT stated that the GCRP also discussed a new reactive power modification to the Grid Code. SLa explained that the modification aimed to reduce the impact of reactive power restrictions to only those generators who could not provide zero MVar. The GCRP were happy for it to go out to consultation and it would possibly require a consequential change to the CUSC.

2786. Further topics discussed by the GCRP included liability arrangements for LEEMPS under Grid Code Amendment A/10. AT stated that the

consequential change to the CUSC, CAP181, was withdrawn in April 2011 but there was a potential that the issue could return.

11 AOB

2787. **Wind Power Forecasting.** GG noted that National Grid had stated in their press release of 25 May 2011 that they had developed a new wind power forecasting system. GG believed that it would be useful for all CUSC Parties to be aware of this development and it could allow the industry to assist in National Grid's balancing activities. PH responded that the operational exchange of information was more of a Grid Code issue and should therefore reside there. AT added that the data on the 34 wind farms which the forecasting system would use was available on the BM reports website: <http://www.bmreports.com/bsp/staticdata/PowerParkModules.xls>

2788. **Enduring Connect and Manage Regime.** PM referred to the email sent by DS on 18 May 2011 and questioned whether Scottish and English derogation reports would be available. AT replied that Part 1 for Scotland was on the SQSS area of the National Grid website. DB added that the data for England and Wales had not yet been published but an indicative date could be provided.

Action: NGET to provide indicative date for publication of E&W derogation reports

2789. AT stated that the obligation on National Grid was to publish them within 2 months. The current derogation reports can be found on the link below: <http://www.nationalgrid.com/uk/Electricity/Codes/gbsqsscode/DocLibrary/>

2790. GG stated that it would be useful to see the assumptions behind the derogation reports as he was aware that some information could be confidential but there could be some public data which may be shared. AT responded that an update would be provided at the next operational forum.

2791. In relation to the Connect and Manage cost analysis, GG asked whether the data behind the National Grid procured Plexos model could be shared with CUSC parties perhaps by way of the ELSI model. In DS's email of 18 May 2011, he stated that the ELSI (Electricity Scenario Illustrator) model was of a higher level than the Plexos model and therefore the intention was not to share the data from Plexos.

2792. FN asked whether National Grid was concerned that the predicted costs for Connect and Manage were outside of the parameters set by DECC as there was a risk of outweighing the benefits. DB replied that the predicted costs would be higher if the contracted position was modelled to 2020 as it would assume the out turned connection rate. If the comparison was based on the contracted generation for the next two years it would be more accurate and the predicted costs would be less than the Ofgem figures but more than DECC's figures.

12 Next Meeting

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2793. The next meeting is scheduled for 24 June 2011 at National Grid House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.