

Headline Report – 29 January 2021

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 Panel on 18 December 2020 and the Special Panels on 8, 13 and 21 January (as well as the minutes from CUSC Panel on 29 January 2021) will be presented for approval at the CUSC Panel on 26 February 2021.

Prioritisation Stack

Between 29 May 2020 Panel and June 2020 Panel, all the Proposers with in-flight Modifications 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. This exercise was repeated between 25 September 2020 Panel and October 2020 Panel and October 2020 Panel reviewed the Prioritisation Stack.

At January 2021 Panel, the Panel discussed the prioritisation of CMP328 and CMP358/CMP359.

- **On CMP328** – the November 2020 Panel were content to defer the decision on CMP328 until January 2021 Panel with the expectation that the Workgroup Consultation had been issued by then. However, as the Workgroup has been delayed at Proposer's request to 10 February 2021, Code Admin proposed that the decision on CMP328 prioritisation was deferred until February 2021 Panel. Panel agreed to this request; and
- **On CMP358/359** - On 21 January 2021, the CUSC Panel concluded that CMP358/359 would be placed "Low" in the current prioritisation stack. Waters Wye, who are representing the Proposer, attended the CUSC Panel on 29 January 2021 to challenge this decision. They primarily cited the compound impact for Scottish Generators of the removal of the Small Generator Discount with the latest Transmission Generation Residual decisions and the current general uncertainty. After careful consideration, the Panel decided to maintain their previous decision for the same reasons they provided at Panel on 21 January 2021.

The full discussions on each Modification can be found [here](#).

The Prioritisation Stack will continue to be reviewed on a monthly basis.

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 February 2021 in readiness for assessment at February 2021's Panel.

New Modifications

1 new Modification Proposal was presented for consideration.

CMP360 'Aligning Section 14 of the CUSC 'Balancing Services Use of System Charging Methodology' to the licence changes introduced by RIIO-2 in respect of the 'System Operator Revenue Restriction'

Currently, Section 14 of CUSC uses various formulae and definitions for the calculation of the External and Internal Balancing Services Use of System (BSUoS) charge for each Settlement Period. With the RIIO-2 Final Determination from Ofgem, elements of the System Operator Revenue Restriction formulae have changed and so the CUSC needs to be revised accordingly to align with the updated licence conditions.

CUSC Panel on 29 January 2021 by majority agreed that CMP360 should follow standard governance route and unanimously agreed that this should proceed to Code Administrator Consultation (**Post Meeting Note: Code Administrator Consultation issued 9am on 1 February 2021 and will close 5pm on 19 February 2021**)

CMP360 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp360-aligning>

New / Pending Authority Decisions

Ofgem provided an update on Modifications that are currently awaiting their decision or have been decided upon since the last normal monthly CUSC Panel on 18 December 2020:

Decisions since last normal monthly Panel

Modification	Decision Date
CMP355/CMP356	Decision was made on 22 January 2021 – the CMP355 and CMP356 Original Proposals will be implemented on 1 April 2021.
CMP357	Decision was made on 25 January 2021 directing WACM2 (Implementing a TNUoS Locational Onshore Security Factor that is set to two decimal places and is applied for the duration of the RIIO2 price control period) to be implemented on 1 April 2021.
CMP351	Decision was made on 28 January 2021 – the Original Proposal will be implemented on 11 February 2021.

Awaiting Decisions

- On the remainder of the TCR decisions, which Ofgem are prioritising, Ofgem provided the following update:

Modification	Decision Date / Anticipated Decision Date
CMP335/336 and CMP343/340	Minded to decision expected on CMP343 in February 2021 with the decisions on CMP340 and CMP335/CMP336 to follow this.

- On the other outstanding decisions:

Modification	Decision Date / Anticipated Decision Date
CMP344	Ofgem confirmed receipt of CMP344 on 12 January 2021 and noted the Proposer’s request for a decision date by 25 January 2021 to allow an implementation of 1 April 2021. However, they do not expect to make a decision until ~ end March 2021.
CMP300	Ofgem confirmed receipt of CMP300 on 19 January 2021 and indicated that a decision would be made ~ mid-February 2021.
CMP280	Update on CMP280 was provided on 2 October 2020. Ofgem will consider whether or not CMP280 is needed after they have decided on the other Transmission Demand Residual Modifications but do not expect to make a decision on CMP280 in the near future.
CMP292	CMP292 decision was expected 20 September 2019; however, this remains de-prioritised due to Ofgem’s focus on the TCR modifications.

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 7th of the following month or the next working day thereafter.

Draft Final Modification Reports

CMP354 ‘Capacity Allocation and Congestion Management Regulation (CACM) cost sharing consequential changes’

CMP354 seeks to allow the ESO to ensure that any Capacity Allocation and Congestion Management Regulation (CACM) related payments (determined by the Authority) are paid to relevant interconnector licensees in 2021 and to facilitate the interconnector adjustment payment process for future Authority cost recovery decisions.

Draft Final Modification Report was presented to Panel on 29 January 2021 - Panel unanimously voted that this should be implemented. This will be implemented 1 April 2021 if no appeals are raised in the Appeals Window 9 February 2021 to 2 March 2021.

CMP354 documentation can be located via the following link:

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc-old/modifications/cmp354-capacity>

Workgroup Reports

None presented at this Panel

Other

The Proposer of **CMP309 & CMP310** has withdrawn support of these modifications and no-one expressed support to become the new Proposer by 5pm on 13 January 2021. Therefore, CUSC Panel on 29 January 2021, were asked under 8.16.10(b) to agree to the withdrawal of CMP309 and CMP310 - Panel agreed to this.

Questions or feedback?

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