

Minutes

Meeting name	CUSC Modifications Panel
Meeting number	139
Date of meeting	31 August 2012
Location	Teleconference

Attendees

Name	Initials	Position
Mike Toms	MT	Panel Chair
Emma Clark	EC	Panel Secretary
Ian Pashley	IP	National Grid Panel Member
Michael Dodd	MD	Users' Panel Member
James Anderson	JA	Users' Panel Member
Bob Brown	BB	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Simon Lord	SL	Users' Panel Member
Alex Thomason	AT	Code Administrator

Apologies

Name	Initials	Position
Robert Longden	RL	Users' Alternate Panel Member
Adam Lattimore	AL	ELEXON
Duncan Carter	DC	Consumers' Panel Member
Patrick Hynes	PH	National Grid Panel Member
Paul Jones	PJ	Users' Panel Member
Paul Mott	PM	Users' Panel Member
Abid Sheikh	AS	Authority Representative

Alternates

Simon Lord for Paul Jones

Bob Brown for Duncan Carter

Garth Graham for Paul Mott

All presentations given at this CUSC Modifications 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

3264. MT introduced MD and JA as the new CUSC Panel Members following the outcome of the recent mid-term CUSC Panel elections. Apologies were received from PJ, DC, AL, PM, PH, RL and AS. GG confirmed that he is acting as alternate for PM, BB confirmed that he is acting as alternate for DC and SL confirmed that he is PJ's alternate.

2 Approval of Minutes from the last meeting

3265. The minutes from the meeting held on 27 July 2012 were approved, subject to minor changes.

3 Review of Actions

3266. **Ongoing Action: IP to provide an update to the Panel on progress of work regarding how the European Codes will interact with the domestic codes.** IP advised that National Grid had facilitated a workshop on the 2nd and 3rd August 2012 to crystallise stakeholders' views on the Requirement for Generators (RfG) Code for DECC's information, in preparation for the RfG's transition to the comitology stage of the European Commission's legislative process; and that work is progressing as expected in this area. GG and BB noted that it is useful to continue with this update at future Panel meetings.
3267. **Minute 3235: Publish CMP201 Code Administrator Consultation.** Complete.
3268. **Minute 3240: Extend CMP207 Workgroup Consultation to four weeks.** Complete.

4 New CUSC Modification Proposals

3269. There were no new CUSC Modification Proposals raised this month.

5 Workgroup / Standing Groups

3270. **CMP206: Requirement for NGET to provide and update year ahead TNUoS forecasts.** AT presented to the Panel and ran through the background to CMP206 and developments so far. AT noted that a paragraph in the Workgroup Report regarding the equivalent DCUSA Proposal needed to be updated, and agreed to revise the wording and send to the CUSC Panel prior to the Code Administrator Consultation being published. AT advised that the Workgroup had considered whether CMP206 met the Self-Governance Criteria and that there had been mixed views within the Workgroup. AT added that Ofgem had advised that, depending on responses to the Code Administrator Consultation, they may be minded to direct the Panel to progress CMP206 as Self-governance. BB advised that whilst he felt that Self-governance was an efficient process, there is a concern about ignoring certain aspects of the criteria in order to progress a proposal as Self-governance. GG suggested having a discussion at the September Panel meeting with regard to the Self-Governance Criteria and the restrictions it may place. AT noted that this would be timely as Ofgem's Initials Proposals Document for phase 2 of its Code Governance Review is due out during the week commencing 17th September 2012.

Action: AT to send revised wording in CMP206 Workgroup Report to CUSC Panel.

Action: Panel to discuss Self-Governance Criteria at next meeting.

3271. The Panel accepted the CMP206 Workgroup Report and agreed for CMP206 to progress to the Code Administrator Consultation for a period of three weeks.
3272. **CMP208: Requirement for NGET to provide and update forecasts of BSUoS charges each month.** AT advised that following the post-consultation meeting on 6th August 2012, a second post-consultation meeting was required in order for additional analysis to be carried out on the implementation impact of the CMP208 original, so as to facilitate comparison with the corresponding impact for the proposed CMP208 WACM1 and therefore a two month extension to the timetable was requested from the Panel. The Panel accepted the request and agreed for the

CMP208 Workgroup Report to be presented to the Panel at their meeting in October. The Ofgem Representative had advised prior to the Panel meeting that this approach is acceptable.

3273. **CMP207: Limit increases to TNUoS Tariffs to 20% in any one year.** AT advised that following closure of the Workgroup Consultation, a meeting had been held on 30th August 2012 to discuss the 8 responses that had been received. AT confirmed that 4 Workgroup Alternative CUSC Modifications (WACMs) had been put forward and that the result of the Workgroup vote was that there was unanimous support for the WACMs over the Original Proposal, but not over the baseline and therefore the majority preference was for the CUSC baseline. The Workgroup Report for CMP207 is due to be presented to the September Panel.
3274. **CMP209 and CMP210: Allow Suppliers' submitted forecast demand to be export.** AT advised that a post-consultation meeting was being held on 12th September 2012 to discuss the 5 responses received to the Workgroup Consultation and to hold the Workgroup vote. AT noted that 4 potential WACMs had been suggested and that the Workgroup Report is due to be presented to the Panel in September.
3275. **CMP211: Alignment of CUSC compensation arrangements for across different interruption types.** AT advised that the Workgroup Consultation for CMP211 is due to close on 14th September 2012 after which a meeting would take place to discuss the responses. AT noted that there had been a discussion as to whether CMP211 meets the Self-Governance Criteria but that the Workgroup were not convinced that it would fully satisfy the criteria.
3276. **CMP212: Setting limits for claim: submission, validation and minimum financial threshold values in relation to relevant interruptions.** AT noted that CMP212 was currently following the same timetable as CMP211 and therefore a meeting is being planned for September after closure of the Workgroup Consultation.
3277. **CMP213: Project Transmit TNUoS Developments.** IP advised that the Workgroup is progressing well. IP noted that April 2014 is being targeted for implementation and that the next meeting is planned for 4th September 2012. MD advised that Ofgem seemed content with an implementation date of April 2014. MT asked the Panel Members that are also members of the CMP213 Workgroup, if there had been any cause for concern from the meetings held so far. SL responded that the next few meetings would be getting into the detail of the changes and possible alternative solutions would start to be looked at, and this would be the time when any potential issues may arise. JA added that the group is just starting to consider what is out of scope and beginning to narrow down some of the key issues.
3278. **Governance Standing Group (GSG).** GG advised that no meeting had been held since the last Panel and that the next meeting is planned to take place in October 2012.
3279. **Joint European Standing Group (JESG).** GG advised that the JESG had met on 16th August 2012 in Edinburgh and the Requirement for Generators (RfG) Network Code had been discussed, along with the Demand Connection Code together with updates on a number of other codes in the early stages of development. GG added that a common view on the issue of retrospectivity had been reached. IP advised that the next JESG meeting was planned for 18th September 2012.
3280. **Transmission Charging Methodologies Forum.** IP advised that no meeting had been held since the last Panel and the next meeting is on 26th September 2012. GG pointed out that Energy UK had since arranged a meeting on Energy Market Reform

on the same day as the TCMF and suggested looking at moving the TCMF date to avoid this clash.

Action: National Grid to check clash with TCMF and Energy UK meeting.

3281. **Frequency Response Working Group (FRWG).** IP advised that no meeting had been held since the last Panel but that the draft report was about to be circulated for finalisation by Workgroup Members, prior to being issued for consultation.
3282. **Commercial Balancing Services Group (CBSG).** EC advised that the meeting planned for 5th September 2012 had been cancelled due to a lack of new agenda items and updates on current work. EC gave an update on the current areas of work relevant to the CBSG and noted that in relation to Short Term Operating Reserve (STOR) Transparency, an open letter is due to be issued to the industry shortly in response to the consultation. EC then informed the Panel that National Grid is still investigating whether it is appropriate to offer a free modification application to allow Bilateral Embedded Licence exemptible Large power station Agreements (BELLAs) to switch to a Bilateral Embedded Generation Agreement (BEGA) and that in the meantime an open letter has been issued to seek views from the industry on the ability of BELLAs to participate in the Balancing Mechanism under current code arrangements.
3283. **Balancing Services Standing Group (BSSG).** EC referred the Panel to the updated Terms of Reference for the BSSG which had been circulated previously and advised that all the items listed on the Terms of Reference had either been completed or were no longer applicable. EC added that the BSSG Members had been asked for any new agenda items that they feel need to be raised but that nothing had been highlighted. EC asked the Panel for their views on the next steps for the BSSG. The Panel agreed for the group to stand down until further work is identified. BB suggested that the wording in the Terms of Reference regarding meeting administration could perhaps be changed so that meetings were held when required, rather than every six weeks. GG suggested that an email is sent to industry to advise that the Panel has agreed for the BSSG to be put on hold but that any issues can still be raised and will be considered by the Panel as to the most appropriate course of action.

Action: National Grid to advise industry on position of BSSG.

6 European Code Development

3284. EC advised that an update from Ofgem had been circulated on 22nd August 2012 providing details on the latest developments regarding ACER; and IP noted that an update from NGET regarding the latest status of ENTSO-E's European Network Code developments was included as part of the papers for the Panel meeting.

7 CUSC Modifications Panel Vote

3285. None.

8 Authority Decisions as of 22 August 2012

3286. The Panel noted that CMP202 (Revised treatment of BSUoS charges for lead parties of interconnector BM Units) had been approved on 15th August 2012 and implemented on 31st August 2012.

9 Update on Industry Codes / General Industry updates relevant to the CUSC

3287. AT provided an update on the Code Governance Review Phase 2 and advised that Ofgem's Initial Proposals document is being issued in the week commencing 17th September 2012 and will confirm that they will be looking to introduce a number of existing processes under the CUSC, BSC and UNC to the other codes, including Self-Governance, the concept of a Significant Code Review and elements of the Code Administrator arrangements. AT added that Ofgem are also considering the possibility of introducing a fast-track process to Self-governance for very minor changes to the codes, such as typographical changes and that they are considering changing the date from when the Self-Governance appeal window opens, to allow industry to have the time to read the full report and consider their position before deciding on whether they wish to appeal.
3288. MD asked if any consideration had been given as to the impact of the Electricity Balancing SCR on the CUSC, in terms of BSUoS. AT responded that this will be looked at as the SCR progresses as it had only just been launched.

10 AOB

3289. EC highlighted the proposed meeting dates for next year to the Panel and noted that two dates had been provided in November 2013 to allow the Panel the opportunity to bring the November Panel meeting forward, as the December Panel is held early due to the Christmas break. The Panel agreed that they would consider this nearer the time. GG highlighted that the May 2013 Panel is close to the bank holiday but it was noted that the meeting was on the following Friday, and not the Friday before the bank holiday. The Panel agreed that they were happy with the dates as proposed and would consider any issues at the relevant time.
3290. AT advised that the results for the Panel elections had been announced on 22nd August 2012 and that Michael Dodd and James Anderson had been successful in securing positions as CUSC Panel Members and that Robert Longden had secured the position of CUSC Panel Alternate Member. AT added that a full Election Report will be produced shortly and sent directly to Ofgem.

11 Next Meeting

3291. The next meeting will be held on 28th September 2012 at National Grid House, Warwick.