

Minutes

Meeting name	CUSC Modifications Panel
Meeting number	158
Date of meeting	31 January 2014
Location	National Grid House, Warwick

Attendees

Name	Initials	Position
Mike Toms	MT	Panel Chair
Emma Radley	ER	Panel Secretary
Alex Thomason	AT	Code Administrator
Abid Sheikh	AS	Authority Representative
Patrick Hynes	PH	National Grid Panel Member
James Anderson	JA	Users' Panel Member
Simon Lord	SL	Users' Panel Member
Michael Dodd	MD	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Paul Mott	PM	Users' Panel Member
Bob Brown	BB	Consumers' Panel Member
Jade Clarke	JC	Observer

Apologies

Name	Initials	Position
Ian Pashley	IP	National Grid Panel Member
Kyle Martin	KM	Users' Panel Member
David Kemp	DK	ELEXON

Alternates

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

3814. Introductions were made around the group and apologies were received from IP, KM and DK.

2 Approval of Minutes from the last meeting

3815. The minutes from the last meeting held on 20 December 2013 were approved and are available on the National Grid website.

3 Review of Actions

3816. **Minute 3792: ER to circulate ECCAF slides from previous JESG meeting and send the CUSC Panel a link to the ECCAF papers on the website.** Complete.

- 3817. **Minute 3800: GG to send AS the link to Ofgem's Work plan for 2014 – 15 and AS to clarify wording.** - Complete
- 3818. **Minute 3805: PH to clarify if there is a need for change within the CUSC following the Balancing Services proposals and what information may be published.** - Complete
- 3819. **Minute 3809: AT to discuss outstanding claim with GG.** GG confirmed that this had been discussed directly with AT. - Complete
- 3820. **Minute 3811: ER to upload missing decision letters onto National Grid website.** - Complete (no decision letters as Self-Governance proposals).

4 New CUSC Modification Proposals

- 3821. **CMFTP226 – Amendments to BSUoS Methodology to reflect changes to the Transmission Licence.** TS presented on the background and key points of CMFTP226. CMFTP226 seeks to modify the calculations of external and internal BSUoS Charges which were introduced into the Transmission Licence in July 2013. TS confirmed that the new calculations were already being used but that the CUSC had not yet been updated to mirror the licence changes. TS noted that an error had been identified in the CMPFT226 Report that had been circulated to the Panel on papers day with regards to one of the calculations and that this will be modified.
- 3822. JA noticed an error in the corrected calculations and TS agreed that this would also be updated. SL asked if it would be possible to place a link in the CUSC to the Transmission Licence rather than detail the changes, therefore for future licence changes it would be more straightforward to make the changes. The Panel noted that the licence takes precedence and therefore any changes made to the licence mean that that the CUSC is out of date until the relevant modification(s) is made.
- 3823. TS proposed that CMFTP226 meets both the Self Governance criteria and the Fast Track criteria. AS asked what the minor typographical errors referred to in the slides meant and TS advised that there were approximately 3 typographical changes in addition to the licence changes. PH suggested that the minor housekeeping changes are noted separately from the licence changes in the report for clarity.
- 3824. GG asked if it would also be possible to have sight of the relevant part of the Transmission Licence in order to compare the changes. TS agreed that he will include specific references to the applicable paragraphs in the licence and a link to the licence if possible. PH suggested that the applicable sections of the licence could be included in the report as an annex.

Action: TS to update report to clarify housekeeping changes and provide references to the applicable sections of the Licence.
- 3825. BB suggested that the changes are material but it was noted that National Grid are already working to the revised Transmission Licence as the licence takes precedence over the CUSC, therefore the subsequent CUSC changes are not material as they are simply mirroring the licence changes. BB also queried whether this could have been raised earlier as the changes were made in July 2013 and this was noted by National Grid. GG noted that if use of the Fast Track process is approved, then this change will still go through quicker than it would have, had it been raised as a Standard Modification Proposal earlier, before the Fast Track process was introduced into the CUSC.

3826. The Panel agreed that CMFTP226 should go through the Fast Track process and that it should be implemented on 12 March 2014 as proposed by the Code Administrator.

5 Workgroup / Standing Groups

3827. **CMP222 User Commitment for Non-Generation Users.** PH stated that the CMP222 Workgroup Consultation had been sent to Industry on 18 December 2013 and closed for comments on 20 January 2014. PH noted that a Workgroup Alternative CUSC Modification (WACM) was likely to be raised regarding post commissioning. The post consultation meeting is scheduled for 6 February 2014 and the Workgroup Report is due to be presented to the CUSC Panel at their meeting in February 2014.
3828. **CMP223 Arrangements for Relevant Distributed Generators under the Enduring Generation User Commitment.** PH advised that the Workgroup consultation has been published on 17 January 2014 and will close for comment on 14 February 2014. PH noted that another solution had been developed in addition to the solution suggested by the Proposer and that further work would be carried out on this, namely requesting information from the DNOs. The Workgroup report is due to be presented to the CUSC Panel at their meeting in March 2014.
3829. **CMP224 Cap on the Total TNUoS Target Revenue to be recovered from Generation Users.** PH advised that the Workgroup Consultation closed for comment on 23 January 2014 and received 9 responses and a Workgroup consultation alternative request was submitted. PH noted that the post-consultation meeting had been held on 30 January 2014 and three Workgroup Alternative CUSC Modifications (WACMs) had been agreed and the Workgroup vote had been carried out.
3830. The Workgroup Report is due to be presented to the CUSC Panel at their meeting in February 2014 but PH noted that a teleconference may be needed to conclude some discussions on one of the WACMs which may result in a delay to the Report being produced. PH advised that the majority of the Workgroup supported WACM1 (which proposed a 12 month lead time).
3831. **CMP225 Consequential changes following implementation of the Third Package and other miscellaneous changes.** ER advised that a second joint Workgroup with the like for like BSC Modification Proposal P298 had been held on 20 January 2014 and that the Workgroup Consultation is due to be issued on 6 February for 3 weeks. ER added that the Workgroup Report would be presented to the March CUSC Panel. ER also added that the like for like STC Modification (CA055) had been raised at the January STC Panel and had been accepted to progress to consultation.
3832. AS noted that the issue of a Standard Modification Proposal being progressed that is identified at a later stage to have an EU impact has not been included in the legal text. ER agreed that she would look into this.
- Action – ER to discuss CMP225 legal text with National Grid legal team.**
3833. GG also noted that the Workgroup had discussed the role of Ofgem in attending meetings for such modifications if they are also the Proposer, whether they send two representatives to cover the Proposer role and the observer role, or whether one representative covers both roles.

3834. **Governance Standing Group (GSG).** GG advised that no meeting had been held since the last Panel and that the next meeting is due in April 2014.
3835. **Joint European Standing Group (JESG).** GG advised that no meeting had been held in January and the next meeting is scheduled for 4 February 2014.
3836. **European Code Coordination Application Forum (ECCAF).** GG advised that a meeting had been held on 30 January 2014 and had discussed the latest developments in the European Network Codes (ENC). GG advised that code mapping had been discussed as well as the work plan for 2014/15. The group also discussed the process for application and engagement to ensure consistency in the application of multiple ENCs to multiple GB Codes. The group looked at the options available for implementing European Requirements into the GB Framework such as using the existing codes, using new codes and any other options available. GG noted that a presentation was given on how the Balancing Network Code could be mapped to the GB Framework and this very initial view would tend to suggest that only approximately one third of the Balancing Network Code details might 'naturally reside' in the BSC.
3837. MT noted that the long term impacts will be several CUSC code modifications that result from this. GG agreed and advised that a recommendation from ECCAF will be made first to the Panel as to what changes may be needed (with help from the Code Administrators) in line with the obligations before the changes are formally raised. PH noted that there needs to be consistency as to what is implemented across the GB codes and that this perhaps is more relevant to European Network Codes which span multiple GB codes, such as the Demand Connection Code. PH talked about the role of the CUSC Modifications Panel in this area and felt that the role is to progress modifications rather than initiate them, so clarity is required as to who will raise the modifications. The Panel discussed this and AT noted that the role of raising any modifications would fall on the relevant business units within NGET, rather than NGET in its role as the Code Administrator.
3838. **Transmission Charging Methodologies Forum (TCMF).** PH advised that a meeting had been held on 22 January 2014 and a number of items had been discussed including Integrated Offshore charging. PH noted that they are waiting for a decision on CMP213 (Project Transmit TNUoS Developments) before progressing further. PH advised that TNUoS tariffs will be published on 31 January 2014 and that there were no significant changes from the indicative tariffs. The embedded generation review was also discussed and PH noted that the consultation on this closes on 14 February 2014 after which the responses will be considered further by National Grid. Depending on the evidence received, PH noted that it is possible that a CUSC Modification Proposal may be raised. The next meeting is scheduled for 19 March 2014.
3839. PH advised that GSR010 was also discussed in the TCMF. This is an SQSS modification relating to Onshore Entry Criteria and the implications on TNUoS tariffs. SL noted links between the SQSS and the CUSC and that there are consequences on both codes. SL considered that there is a danger that this may be missed in an SQSS consultation as respondents do not realise that there are CUSC impacts, and this was shown in the small number of responses received to the consultation that was published. PH noted that the view is that no changes will be required to the existing TNUoS methodology as a result of GSR010. PH explained that further comments in relation to GSR010 could be provided to John West, SQSS Panel Chair, at National Grid.
3840. SL asked the TCMF for its views on a potential new shorter-term TEC product and noted that he is currently working on a proposal regarding Flexible Access Products.

GG responded that the concept of sharing, as raised in CAP163 (Entry Capacity Sharing), had received widespread support from industry when it was raised. PH noted that this was more forward thinking and it would be useful to have industry debate on this area. The next TCMF meeting on 19th March 2014 could be used to discuss these proposals in more detail.

3841. **Commercial Balancing Services Group (CBSG).** JC advised that there was a meeting held on 29th January 2014 and the main agenda item was on Fast Frequency Response service review. The next CBSG meeting is scheduled for 12th March 2014 but this may change as it clashes with another industry meeting.
3842. **Balancing Services Standing Group (BSSG).** JC advised that there was a meeting held on 29th January 2014 after the CBSG and that agenda items included mandatory rapid frequency response and response energy payments for renewables. PM asked how far mandatory frequency response had progressed within the BSSG meetings. The next BSSG meeting is scheduled for 12th March 2014 but may change as above.

Action – JC to provide a more detailed update on mandatory frequency response and how far this has been progressed with the Grid Code and when the BSSG may report back on it.

6 European Code Development

3843. AS had nothing further to add in addition to the email circulated to the Panel regarding EU updates.

7 CUSC Modifications Panel Vote

3844. There were no votes at this meeting.

8 Authority Decisions as at 17 January 2014

3845. AS noted that CMP221 (Interruption compensation in the absence of market suspension during a Partial Shutdown) had been approved on 29 January 2014 and will be implemented on 31 March 2014 to line up with the related BSC Modification Proposal P276 and Grid Code modification GC0044.
3846. AS advised that the Impact Assessment responses for CMP201 (Removal of BSUoS for Generation) were being considered and that there is no further update on the timescales for a decision. PJ highlighted potential interactions with EMR depending on when a decision on CMP201 is made and that this should be taken into account.
3847. For CMP213, AS advised that evidence provided in the Impact Assessment is still being examined and that the decision is planned for March 2014. MD asked if this had been discussed at the Authority meetings and AS advised that he believed it had not yet reached that stage but would check.

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

3848. ER noted that an Open Letter had been published by Ofgem on the Statement of Works process and that National Grid would like to trial a new process following feedback that the current process can be time consuming and costly. ER advised that Ofgem have asked for feedback by 21 February 2014.
3849. AT noted that there are two licence related consultations ongoing. One regarding the Seven Year Statement and Offshore Development Information Statement being

amalgamated to form the Electricity Ten Year Statement, and as a result of this the out of date references in the CUSC will need to be changed via a modification. AT also noted that there is a consultation on the name change for National Consumer Council to Citizens Advice and Citizens Advice Scotland and this would also need a CUSC Modification in the near future.

10 AOB

3850. MT highlighted the EMR consultation on industry code and licence modifications published by DECC on 15 January 2014. MD advised that this is subject to some high level policy decisions which may affect the outcome. PJ advised that the BSC will be impacted the most, but that there are minor changes proposed to the CUSC. MD noted that EMR is currently lacking a governance process so future change processes may differ to the route that any changes that occur now follow.
3851. MT noted that JC would be taking over from ER as CUSC Panel Secretary and thanked ER for her efforts over the last 3 years.

11 Next Meeting

3852. The next meeting will be held on 28 February 2014 at National Grid House, Warwick.