

Minutes

Meeting name	CUSC Modifications Panel
Meeting number	162
Date of meeting	30 May 2014
Location	National Grid House, Warwick

Attendees

Name	Initials	Position
Mike Toms	MT	Panel Chair
Jade Clarke	JC	Panel Secretary
Abid Sheikh	ASH	Authority Representative
Ian Pashley	IP	National Grid Panel Member
James Anderson	JA	Users' Panel Member
Simon Lord	SL	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Paul Mott	PM	Users' Panel Member
Kyle Martin	KM	Users' Panel Member
Bob Brown	BB	Consumers' Panel Member
Michael Dodd	MD	Users' Panel Member
David Kemp	DK	ELEXON
Tom Abbott	TA	National Grid Digital Comms (Part meeting)
Tom Stone	TS	National Grid Digital Comms (Part meeting)
Nicola Wilkinson	NW	National Grid IS (Part meeting)

Alternates

Adam Sims	ASi	National Grid Representative
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Apologies

Name	Initials	Position
Alex Thomason	AT	Code Administrator
Patrick Hynes	PH	National Grid Panel Member

All presentations given at this CUSC Modifications Panel meeting can be found in the CUSC Panel area on the National Grid website:

<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Panel-information/>

1 Introductions/Apologies for Absence

3999. Introductions were made around the group. Apologies were given from Alex Thomason and Patrick Hynes.

2 Approval of Minutes from the last meeting

4000. The minutes from the last meeting held on 25 April 2014 were approved subject to changes and are now available on the National Grid website.

3 Review of Actions

- 4001. **Minute 3955: AS and PH to discuss and agree drop dead date for an Ofgem decision on CMP222** – Complete
- 4002. **Minute 3968: Panel members to send contact details of small parties to JC** – Complete
- 4003. **Minute 3968: PH to produce a short guide to be sent out alongside the CMP223 Code Administrator Consultation** – Complete
- 4004. **Minute 3997: JC to provide an update on GCRP at May's CUSC Panel** – Complete
- 4005. JC stated that the GCRP had met for the second time on 9 May 2014 and discussed topics including representation, voting rights and the election process. JC noted that an open generator election held every two years was the preferred option for the election process and that the concept of alternates would be removed for generators. With regard to voting rights, it was agreed that there would be 1 vote per member. JC stated that a draft consultation has been produced and will be circulated to workshop attendees shortly for comment, prior to being issued for industry consultation. It is National Grid's intention to bring a report back to the September GCRP with a view to implement the changes in time for the 2015 election process.

4 New CUSC Modification Proposals

- 4006. There were no new CUSC Modification Proposals at the May Panel meeting.
- 4007. JC informed the Panel that it was National Grid's intention to propose a CUSC Modification at the June Panel on Response Energy Payment, on behalf of the BSSG.

5 Workgroups / Standing Groups

- 4008. **CMP227 'Reduce the G:D split of TNUoS charges, for example to 15:95'**. JC updated the Panel on the Workgroup's progress and stated that the Workgroup had met on 8 June 2014 and discussed what impact analysis was required from National Grid and other Workgroup members for the CMP227 Workgroup Consultation. The Workgroup also discussed ACER's opinion on European Regulation generation charges. The Workgroup plan to publish their Workgroup Consultation in early July and have a post-Workgroup Consultation meeting to discuss responses and finalise any Workgroup Alternate CUSC Modifications in early August. JC noted that the Workgroup would therefore miss the original July deadline set by the CUSC Panel in February 2014. JC asked for a one month extension on behalf of the CMP227 Workgroup.
- 4009. The CUSC Panel agreed to a one month extension to the CMP227 timetable. The CMP227 Workgroup Report will now be tabled at the August CUSC Panel meeting.
- 4010. **Governance Standing Group (GSG)**. GG advised that there had been no GSG meeting since the last CUSC Panel meeting.
- 4011. **Joint European Standing Group (JESG)**. GG stated that there had been no JESG meeting since the last CUSC Panel meeting and that the JESG are next due to meet on 17 June 2014.
- 4012. **European Code Coordination Application Forum (ECCAF)**.

4013. GG stated that there was an ECCAF meeting held on 29 April 2014 and gave an update to the CUSC Panel noting that ECCAF discussed the Network Code Status and Comitology. GG stated that there was a discussion from the Code Mapping Working Group about the Requirement for Generator (RfG) Network Code work which has been concluded at this time although is still subject to change if the RfG is materially changed during Comitology.
4014. GG noted that there had been an Electricity Regulatory Forum in Florence held on 20-21 May 2014, at which the CACM Network Code was discussed, and it was recognised that the CACM may become a Guideline which is controlled by the European Commission, rather than a Network Code.
4015. **Transmission Charging Methodologies Forum (TCMF).** ASi noted that there had been a TCMF held on 13 May 2014 and that National Grid presented the five year TNUoS tariffs under a number of scenarios including CMP213 'Project TransMIT TNUoS Developments' WACM2, Diversity 1.
4016. ASi also stated that the TCMF discussed the embedded generation review and National Grid's open letter on the same subject which was published on 15 April 2014. ASi noted that it is likely that a CUSC Modification on Exporting GSPs would be proposed to the CUSC Modifications Panel in Autumn 2014.
4017. ASi also updated the CUSC Panel on the progress of CMP223 'Arrangements for Relevant Distributed Generators Under the Enduring Generation User Commitment' by stating that CMP223 is currently at Code Administrator Consultation stage and although it has been extended by one week due to missing legal text, it is still expected to come back to the June CUSC Panel for vote.
4018. ASi noted that there was a discussion on National Grid's initial industry engagement on generator commitment for offshore generators. This focused on the existing obligations between the SO, the TO and the generator, and then explored National Grid's thoughts regarding user commitment arrangements between generators who wish to develop joint connections to the NETS (also known as Generator Focused Anticipatory Investment or GFAI).
4019. **Commercial Balancing Services Group (CBSG).** JC advised that there had been a CBSG meeting on 1 May 2014. The CBSG discussed Commercial Procurement for Rapid Frequency Response and National Grid will be updating the industry on current work on this. JC noted that Graham Stein from National Grid presented the terminology of a new specialist service called Enhanced Frequency Containment Capability, which would include full delivery of active power in less than 2 seconds. This service would be used for containment of frequency after large losses and was presented to the CBSG just for information at this point.
4020. JC stated that the CBSG discussed the frequency of future meetings and that there was a general agreement that quarterly meetings would suit the work done by the CBSG better than the current timetable and that the next meeting is due to be scheduled in early September 2014.
4021. **Balancing Services Standing Group (BSSG).** JC advised that there had been a BSSG meeting on 1 May 2014. The BSSG discussed both Response Energy Payment and Rapid Frequency Response. National Grid has submitted a paper detailing these discussions and a proposed way forward to the CUSC Panel.
4022. JC noted that Ivan Kileff from National Grid presented on the Response Energy Payment. The BSSG have previously recognised that the current Response Energy Payment is not suitable for renewable generators who receive ROC payments and

National Grid have been working with the industry via BSSG to explore how to address this issue.

4023. JC stated that National Grid have explored a number of solutions to address this issue with the BSSG and at the May meeting, the BSSG agreed that a CUSC Modification Proposal should be progressed in this area and that National Grid have taken an action to raise this Modification Proposal in June.
4024. JC also noted that the Grid Code Frequency Response Working Group has provided their views on their ability to delivery Rapid Frequency Response and there was a general consensus that the technical requirements could be met subject to reasonable development timescales. It was suggested that the BSSG looks into how procurement would work for Rapid Frequency Response from non-synchronous plant.
4025. JC stated that other options to provide Rapid Frequency Response were being explored by the Grid Code Working Group and that the BSSG felt that it was premature to consider the methods of procuring mandatory Rapid Frequency Response from non-synchronous plant prior to the Working Group concluding their discussions. It was also suggested by the BSSG that any conclusions would need to demonstrate the cost benefit of making Rapid Frequency Response a mandatory service.
4026. JC informed the CUSC Panel that the BSSG have not highlighted any further areas for discussion and requested on behalf of the BSSG that the group is suspended pending future outcome of the Grid Code Frequency Response Working Group.
4027. The CUSC Panel agreed for the BSSG to be suspended for the time being.

6 European Code Development

4028. There were no further comments to add to the document circulated with the CUSC Panel Papers.

7 CUSC Modifications Panel Vote

4029. **CMP222 ‘User Commitment for Non-Generation Users’.** CMP222 seeks to introduce enduring user commitment arrangements for sites where there is an offtake of electricity from the transmission system, specifically Interconnectors, Distribution Network Grid Supply Points and Directly Connected Loads.
4030. The CUSC Panel voted by majority, 6 out of 9 members, that each of the Original and WACM1 better facilitate the Applicable CUSC Objectives when compared to the current CUSC baseline, and by majority, 5 out of 9 members, that WACM1 best facilitates the Applicable CUSC Objectives when compared to the current CUSC baseline and the Original CMP222 modification, and so should be implemented. The voting results are as follows;
4031. **CMP222 - Original**

Panel Member	(a)	(b)	(c)	Overall
Paul Jones	Yes	Neutral	Neutral	Yes – BEST
James Anderson	Yes	Yes	Neutral	Yes
Ian Pashley	Yes	Yes	Neutral	Yes – BEST
Michael Dodd	No	No	Neutral	No
Bob Brown	Yes	No	Neutral	Yes

Paul Mott	Yes	Yes	Neutral	Yes – BEST
Simon Lord	Yes	Neutral	Neutral	Yes – BEST
Garth Graham	Neutral	No	Neutral	No
Kyle Martin	No	No	No	No

4032. **CMP222 - WACM1**

Panel Member	(a)	(b)	(c)	Overall
Paul Jones	No	Neutral	Yes	Yes
James Anderson	Yes	Yes	Neutral	Yes – BEST
Ian Pashley	No	Yes	No	No
Michael Dodd	Yes	Yes	Neutral	Yes – BEST
Bob Brown	Yes	Yes	Neutral	Yes – BEST
Paul Mott	No	No	No	No
Simon Lord	No	Neutral	Neutral	No
Garth Graham	Neutral	Yes	Neutral	Yes – BEST
Kyle Martin	Neutral	Yes	Neutral	Yes – BEST

4033. Comments from the CUSC Panel provided alongside their votes can be found in the Final Modification Report under the 'Final Modification Report' tab on the National Grid website via the following link; <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP222/>

4034. ASH stated that Ofgem will be doing an impact assessment considering the effects of CMP222 for consumers on receipt of the Final Modification Report.

4035. The Final Modification Report is due to be sent to the Authority on 12 June 2014 and, if approved after Ofgem's impact assessment, will be implemented with an expected go-live on 1 April 2015.

4036. **CMP225 'Consequential changes following implementation of the Third Package and other miscellaneous changes'**. CMP225 proposes amendments to CUSC Section 8 to enable the Authority to raise and/or direct Modifications to the CUSC that it considers necessary to comply with or implement the Electricity Regulation and/or any relevant legally binding decisions of the European Commission and/or the Agency.

4037. The Panel unanimously voted that CMP225 better meets the Applicable CUSC Objectives and therefore should be implemented. The voting results are as follows;

4038. **CMP225**

Panel Member	(a)	(b)	(c)	Overall
Paul Mott	Yes	Neutral	Yes	Yes
Ian Pashley	Yes	Neutral	Yes	Yes
Paul Jones	Yes	Neutral	Yes	Yes
Michael Dodd	Yes	Neutral	Yes	Yes
Bob Brown	Yes	Neutral	Yes	Yes
James Anderson	Yes	Neutral	Yes	Yes
Kyle Martin	Yes	Neutral	Yes	Yes
Garth Graham	Yes	Neutral	Yes	Yes
Simon Lord	Yes	Neutral	Yes	Yes

4039. Comments from the CUSC Panel provided alongside their votes can be found in the Final Modification Report under the 'Final Modification Report' tab on the National

Grid website via the following link; <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP225/>

4040. The Final Modification Report is due to be sent to the Authority on 12 June 2014 and, if approved, CMP225 will be implemented on 31 July 2014.

4041. **CMP228 ‘Definition of ‘Qualified Bank’**. CMP228 seeks to make changes to the definition of ‘Qualified Bank’ to include insurance companies that can provide Performance Bonds or Letters of Credit, therefore increasing the number of prospective providers of security available to Users. CMP228 is classed as Self-Governance and the CUSC Panel vote determines whether CMP228 will be implemented.

4042. The Panel unanimously voted that CMP228 better met the Applicable CUSC Objectives and therefore will be implemented. The voting results are as follows;

4043. **CMP228**

Panel Member	(a)	(b)	(c)	Overall
Ian Pashley	Neutral	Yes	Neutral	Yes
Garth Graham	Neutral	Yes	Neutral	Yes
Bob Brown	Neutral	Yes	Neutral	Yes
James Anderson	Neutral	Yes	Neutral	Yes
Kyle Martin	Neutral	Yes	Neutral	Yes
Paul Jones	Neutral	Yes	Neutral	Yes
Simon Lord	Neutral	Yes	Neutral	Yes
Paul Mott	Neutral	Yes	Neutral	Yes
Michael Dodd	Neutral	Yes	Neutral	Yes

4044. Comments from the CUSC Panel provided alongside their votes can be found in the Final Modification Report under the ‘Final Modification Report’ tab on the National Grid website via the following link; <http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/CUSC/Modifications/CMP228/>

4045. The objections window for CMP228 has now commenced and will close on 20 June 2014. If no objections are received, the Code Administrator will implement CMP228 on 7 July 2014.

8 Authority Decisions as at 21 May 2014

4046. No Authority decisions were received this month.

4047. ASH updated the CUSC Panel on the Authority’s progress towards making decisions on both CMP201 ‘Removal of BSUoS Charges from Generators’ and CMP213 ‘Project TransmiT TNUoS Developments’ stating that Ofgem are still considering responses following the impact assessment on CMP201 and that the latest consultation of CMP213 had recently closed and Ofgem has only started considering responses to this latest consultation.

4048. ASH also noted that Ofgem are planning on issuing a short consultation on CMP224 to help understand the broader impacts of the modification before a decision is made.

4049. JC noted that both CMFTP229 ‘Abolition of National Consumer Council’ and CMFTP230 ‘Minor Housekeeping Changes and Corrections’ objections windows closed on 21 May 2014 and that CMFTP229 had now been implemented. CMFTP230 is due to be implemented on 5 June 2014.

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

- 4050. GG stated that a letter from DECC will soon be issued to emergency control rooms which would be for testing the communication route in the event of an emergency.
- 4051. DK noted that there may be a Significant Code Review directed Modification raised shortly to the BSC regarding electricity balancing and this may mean consequential changes to the CUSC.

10 CMP212 'Setting limits for claim: submission, validation and minimum financial threshold values in relation to Relevant Interruptions – Reporting Frequency

- 4052. PM had brought to the CUSC Panel's attention the fact that the reporting frequency of CMP212 claims reports had not previously been agreed by the CUSC Panel and requested that the Panel agree the frequency of the reports to be produced by National Grid.
- 4053. GG noted that the visibility of the report produced in February 2014 was very helpful in resolving some outstanding claims and would support more frequent than annual reporting.
- 4054. PM suggested that considering the amount of claims within the first year, quarterly reports would be useful.
- 4055. The CUSC Panel agreed that CMP212 claims should be reported on quarterly by National Grid and that the next report should be submitted to the July CUSC Panel meeting.

11 Nationalgrid.com – Website developments

- 4056. TA presented to the CUSC Panel on site performance, intermittent page failures, navigation, structure, communications and alerts.
- 4057. TA stated that he is aware that the website has been performing poorly and load times are slow and explained that the site is hosted on a shared environment where a number of services are used to host it. TA noted that he is currently looking at what may be impacting the performance of the website.
- 4058. TA noted that National Grid Digital Comms have made some progress in tracking 404 'Page not found' errors on the website and have seen the amount of these drop significantly. TA stated that the key issue is now the speed of the website and presented the CUSC Panel with a graph showing average page load times since February 2014 stating that he is aiming to reduce the load time of pages to an average of 5 seconds.
- 4059. PM noted that he was having trouble loading documents, specifically the TEC Register. Other Panel members also expressed specific issues they were having with the website.
- 4060. TA provided the CUSC Panel with his contact details so that they could contact him personally regarding any website problems they were experiencing.
- 4061. TA also asked the CUSC Panel whether they would like to receive further visibility of when there are technical issues with the National Grid website. The Panel agreed that this would be helpful.

Action: JC to circulate contact details of Tom Abbott to CUSC Panel and vice versa.

4062. SL noted that it would be helpful if TA was to come along to the June CUSC Panel to provide an update of the progress in increasing the speed of the website. TA agreed to provide an update either at the next CUSC Panel or before.

Action: JC to invite TA along to next CUSC Panel to provide update on Website developments.

4063. TA explained to the CUSC Panel how National Grid were planning on making user improvements to the website which would include the possibility of a customised homepage and personal user accounts, although expressed that it would be useful to consult with the CUSC Panel beforehand to understand what customers would find useful.

4064. PJ noted that, if National Grid were to run a session with the Industry on potential website improvements, the TCMF would be a good place to run this.

Action: TS to discuss with TCMF about an industry session on improvements to the National Grid Website.

12 AOB

4065. AS stated that changes made to the Licence to implement the generator commissioning clause has led to some changes being made to the CUSC and to the Grid Code. These changes were published on Ofgem's website on Thursday 29 May 2014 and are proposed for implementation once DECC has used its legislative powers under the 2004 Energy Act to bring the enduring offshore transmission arrangements fully into effect.

Action: JC circulate consequential changes to the CUSC resulting from the Licence change to implement the generator commissioning clause.

13 Next Meeting

4066. The next meeting will be held on 27 June 2014 at National Grid House, Warwick.