

# Connections strategic change & impact to CUSC

## Initial working draft Terms of Reference

### Background

The Connections and Use of System Code (CUSC) is the contractual framework for connecting to and using the National Electricity Transmission System (NETS).

In February 2023, the Connections team within ESO kicked off their five point-plan<sup>1</sup> to update the existing connections process in the short-term for the electricity transmission grid to complement their programme of longer-term reform<sup>2</sup>.

The ESO received feedback in June from CUSC panel members with regards to communications the ESO had provided on updates to the five-point plan, with seemed to imply that some process changes would be made without the need for code changes prior to implementation.

The CUSC Modifications Panel<sup>3</sup> oversees the governance arrangements for the CUSC. Its function is in part to:

- Evaluate and administer amendments to the Code
- Review any consequences of those amendments

To ensure that that the industry is comfortable that Connections initiatives have been assessed through a formal CUSC governance lens the ESO have agreed to set up a sub-group of CUSC Issues Steering Group (CISG).

### Rationale for a Sub-Group

The industry case for change around connections is high, moving at pace and where there is the opportunity to implement quick wins within the remit of policy, these decisions are being expedited. Stakeholder engagement around the connections space is considerable and many co-creation focused working group have taken place to date. The Connections industry 'Agora' provides a forum for ESO to highlight progress and to answer questions. Representatives from the CUSC panel have suggested, however, that there would be value in having additional and specific CUSC commercial sessions to understand the changes to the connections process. There is the view that discussion under the remit of a CUSC Issues Steering Group (CISC) Sub-Group should provide due governance and correct stakeholder focus.

### Scope

The scope of the Sub-Group is as follows:

- Provide clarity on the horizon of strategic connection change.
- Signposting to more medium-term change such as Connections Reform.
- Focusing immediate discussion on connections five-point plan initiatives.
- Breaking down the ESO's line of thinking against implementation of these initiatives and addressing concerns raised by stakeholders both in terms of governance and post implementation impacts.

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<sup>1</sup> [Connections five point plan](#)

<sup>2</sup> [Connections reform programme](#)

<sup>3</sup> [CUSC panel page on NGESO website](#)

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- Provide opportunity to deep dive on those change initiatives of interest. This will ensure the industry can understand how this change will manifest and work in practice or understand the current remit of ESO exploratory work (where work in practice is not yet baselined).

Aim is therefore to help identify any CUSC code governance gaps or downstream impacts and ensure these gaps or impacts are addressed appropriately and stakeholder are engaged on this journey.

### **Deliverables**

- Monthly verbal update to CISG, and CUSC panel detailing the Sub-Groups latest thinking and discussions
- Summary of meeting and actions from each Sub-Group will be distributed to the CISG distribution list

The Sub-Group meeting is not intended to be an enduring sub-group and will conclude when sub-group members agree that the meeting is no longer required. Assessment of this will be conducted after [6] months or sooner should sub-group members agree.

### **Chair**

The Sub-Group will be chaired by Karen Thompson-Lilley who shall act impartially, and as an independent chairperson, to facilitate discussion between stakeholder and connections experts.

The Chair may nominate a deputy to chair the meeting in their absence.

The Chair will provide leadership to the Sub-Group and will be responsible for ensuring that each meeting is conducted in accordance with the Terms of Reference, and in an orderly and efficient manner. The Chair will ensure that all Sub-Group members are able to contribute their views. The Chair will coordinate with the Secretariat to ensure that the appropriate policies and procedures are in place for the effective management of the Sub-Group.

The Chair will ensure that regular verbal updates are provided to CISG/CUSC panel on the Sub-Group, including its current thinking, progress, emerging conclusions, and recommendations.

### **Membership**

The Sub-Group will comprise of at least five people (who may include Panel members).

Sub-Group members will:

- 1) Ideally have relevant expertise and experience in the current CUSC connection arrangements and principles underpinning the methodology and represent the views of the whole industry
- 2) Be representative of those impacted by changes to Connection arrangements going forwards
- 3) Be committed to making improvements and delivering benefits to consumers
- 4) Be available to attend all meetings and engage more widely with Industry
- 5) Actively contribute to completing tasks allocated to members of the Standing Group outside of meetings and report back on these in a timely manner.

The Sub-Group overall will have due regard to previous relevant binding decisions of -inter alia – the Authority

### **Secretariat**

The secretariat role will be undertaken by Commercial Codes, acting in an independent capacity to facilitate Sub-Group progress. The Secretariat will:

Provide secretariat services to the Sub-Group and the Chair:

- 1) Send out meeting invitations
- 2) Aim to circulate meeting agendas and any supporting relevant documents 3 working days prior to each meeting
- 3) Circulate meeting summary to Sub-Group members after each meeting

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- 4) Maintain a list of actions and send reminders to members to complete actions
- 5) Add agreed meeting documents to the relevant section of the ESO website
- 6) Maintain the membership list of Sub-Group meetings, including a distribution list of members

## **Reporting**

The Sub-Group will develop and adopt its own internal working procedures for the conduct of the Sub-Group, such as the Terms of Reference document, and share these with the Sub-Group.

The Sub-Group will be required to keep wider industry updated on its work through the regular publication of all agreed Sub-Group documentation. Documents that a party asks not to be circulated or that are only available in draft form do not need to be published.

## **Meetings**

Sub-Group meetings will usually be held via Teams, on a regular basis, monthly in the first instance. Meeting frequency and if there is a need for the Sub-Group to meet for a face-to-face session will be reviewed on a regular basis, as decided by the Chair, in consultation with the Sub-Group members, as appropriate.