# **Headline Report – 28 July 2023**

# Connection and Use of System Code (CUSC) Panel

The Headline Report is produced after every 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 Panel on 30 June 2023 were approved and these have been uploaded to our website.

## **New Modifications**

The following new Modification Proposals were presented to the Panel:

## CMP415 - Amending the Fixed Price Period from 6 to 12 months

This modification is a consequential modification for CMP408, which looks at a change to a definition in Section 11. Amending the Fixed Price Period from 6 months to 12 months.

The Panel unanimously agreed that CMP415 should follow the Standard governance and proceed to a joint CMP408 & CMP415 Workgroup ahead of progressing to Code Administrator Consultation. The Panel agreed the Terms of Reference for the Workgroup.

CMP415 documentation can be found here

## CMP416 - Amending the Fixed Price Period from 6 to 12 months with two seasonal tariffs

This modification is a consequential modification for CMP408 which looks at a change to a definition in Section 11, amending the Fixed Price Period from 6 months to 12 months with two seasonal tariffs.

The Panel unanimously agreed that CMP416 was substantially the same defect as CMP415 and therefore directed the Panel Secretary to reject the CMP416 proposal as obligated under Section 8.16.6 of the CUSC.

CMP416 documentation can be found here

# CMP417- Extending principles of CUSC Section 15 to all Users

This modification looks to extend the principles of CUSC Section 15 "User Commitment Methodology" to Users on Final Sums methodology, resulting in all Users being on the User Commitment Methodology. This will introduce equitable treatment across User groups and reduce barriers to entry as a User's security amount will better reflect the transmission liabilities they impose should they cancel connection or reduce capacity

The Panel unanimously agreed that CMP417 should follow the Standard Governance Route and proceed to Workgroup. The Panel agreed the Terms of Reference for the Workgroup.

CMP417 documentation can be found here

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# New / Pending Authority Decisions

#### **Decisions since the last Panel**

There have been no Ofgem decisions on CUSC Modifications.

#### **Awaiting Decisions**

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Modification	What this seeks to achieve	Expected Decision Date
CMP288	To introduce explicit charging arrangements to recover additional costs incurred by Transmission Owners and TNUoS liable parties because of transmission works undertaken early due to a User initiated delay to the Completion Date of the works, or to facilitate a backfeed.	31 July (previously 07 July 2023) Authority Representative at April 2023 Panel noted that decision would be an Authority send-back.
CMP292	Introduces a cut-off date for changes to the Charging Methodologies	25 August 2023
CMP298	Process for aggregated assessment of Distributed Generators that impact (or may impact) on the National Electricity Transmission System.	29 September 2023 (previously 21 August 2023)
CMP344	Clarifies that the allowed revenue for Transmission Owners recovered from Transmission Users under the Charging Methodologies is fixed for each onshore price control period for onshore transmission licensees and at the point of asset transfer for OFTOs.	29 September 2023 (previously 06 October 2023)
CMP376	Seeks to implement the queue management process into CUSC including introducing a right for the Electricity System Operator (ESO) to terminate contracted projects which are not progressing against agreed milestones.	15 September 2023
CMP331	To provide new generators with the option to replace the generic Annual Load Factors (ALFs) used to determine their TNUoS charges with a user-provided ALF.	18 August 2023
CMP398	GC0156 will place new obligations, within the Grid Code, upon CUSC Parties who are not contracted with the ESO as Restoration Service Providers. CMP398 proposes to introduce a codified cost recovery mechanism to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations	06 October 2023
CMP412	Seeks to facilitate the implementation of CMP398 and proposes a small change to Section 14 (BSUoS) to ensure that any validated costs arising via the CMP398 solution are recovered (as happens today with black start costs via BSUoS.	06 October 2023

Ofgem publish a table that provides the expected decision date, or date they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision. This was last updated on 05 July 2023 is published here.

# **Prioritisation Stack**

For each Modification in the prioritisation stack, Panel have determined if the Priority is "High", "Medium to High", "Medium", "Low to "Medium" or Low". Panel continue to review the prioritisation stack on a monthly basis and every quarter hold a more in-depth review (ahead of this review, Proposers will be asked to provide updated justification against the prioritisation criteria). This indepth review was carried out at our July 2023 Panel.

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The latest prioritisation stack can be found <a href="here">here</a>

# In flight Modifications

CMP286&CMP287: Improving TNUoS Predictability through Increased Notice of the Target Revenue (CMP286) and Inputs (CMP287) used in the TNUoS Tariff Setting Process

The Panel agreed that the Workgroup should be reconvened to address the Ofgem Send back and approved the draft Terms of Reference as submitted within the Panel Papers.

CMP315: TNUoS Review of the expansion constant and the elements of the transmission system charged for & CMP375: Enduring Expansion Constant & Expansion Factor Review

The Panel approved the new timeline as submitted within the Panel Papers.

#### CMP393: Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage

The Panel approved the timeline as submitted within the Panel Papers but amending 'TBC' to 'To be confirmed at the August CUSC Panel'.

#### CMP402: Introduction of Anticipatory Investment (AI) principles within the User Commitment Arrangements

The Panel approved the new timeline as submitted within the Panel Papers.

The next Modification Tracker will be published on 07 August 2023.

# Workgroup Reports

The following Workgroup Reports were presented to the Panel:

# CMP392: Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation

The Proposer believes it is relevant to identify whether (or not) particular charges fall within the Connection Exclusion taking into consideration the Judgment made on 11 April 2022 and has therefore raised CMP392 to provide stakeholders with legal certainty and transparency of the Methodology and process that ESO would apply.

The Panel agreed that the Terms of Reference have been met and agreed for CMP392 to proceed to Code Administrator Consultation. The Code Administrator Consultation will be published on 04 August 2023 and this will close on the 04 September 2023.

CMP392 documentation can be found here

# CMP408: Allowing consideration of a different notice period for BSUoS tariff settings

Following the approval of CMP361 WACM3, of an ex-ante fixed BSUoS tariff with a 9-month notice and 6-month fix, this modification seeks to amend the notice period to a 3-month notice period.

The Panel agreed that the Terms of Reference have been met and agreed for CMP408 to proceed to Code Administrator Consultation. The Code Administrator Consultation will be published alongside the CMP415 Code Administrator Consultation.

CMP408 documentation can be found here

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# **Draft Final Modification Reports**

The following Draft Final Modification Reports were presented to the Panel:

CMP330&CMP374: Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length & CMP374: Extending contestability for Transmission Connections

To amend the definition of Connection Assets in section 14 of the CUSC to allow cable and overhead line lengths over 2km to be contestable where agreed between the Transmission Owner and the User.

The Panel has recommended unanimously that the Proposer's solution and WACM1 better facilitate the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 10 August 2023.

CMP330&CMP374 documentation can be found <a href="here">here</a>

#### CMP414: "CMP330/CMP374 Consequential Modification"

Seeks to enact the Workgroup solution from CMP330/CMP374, by updating Exhibit B, Section 2 and Section 11 of the CUSC

The Panel has recommended unanimously that the Proposer's solution is implemented. The Final Modification Report will be sent to Ofgem on 10 August 2023.

CMP414 documentation can be found here

# Other

CUSC Panel Election Voting will run from 04 August 2023 until 5pm 01 September 2023.

#### Questions or feedback?

Panel Secretary: Milly Lewis Code Administrator

Panel Technical Secretary: Shazia Akhtar, Code Administrator

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