

# Headline Report – 26 January 2024

## 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 Special Panel on [06 December 2023](#) and the Panel on [15 December 2023](#) were approved and these have been uploaded to our website.

## New Modifications

The following new Modification Proposals were presented to the Panel:

### **CMP428 ‘User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design’**

To define the User Commitment liabilities for generators connected to circuits being classified as onshore transmission within the Holistic Network Design (HND). This is to ensure that the purpose and function of circuits classified as onshore transmission are considered when determining which users are responsible for the associated liabilities.

The Panel by majority agreed that CMP428 should follow the Standard governance route and proceed to the Workgroup formed for [CMP426](#). The Panel agreed the Terms of Reference for the Workgroup.

CMP428 documentation can be found [here](#).

### **CMP429 ‘Typographical and formatting updates following the implementation of CMP376 (Inclusion of Queue Management process within the CUSC)’**

This modification aims to make minor amendments to the CUSC which were highlighted through the implementation of CMP376.

The Panel unanimously agreed that CMP429 should follow the Fast Track Self Governance route and be implemented.

CMP429 documentation can be found [here](#)

## New / Pending Authority Decisions

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

Modification	What this seeks to achieve	Decision
CMP298	Process for aggregated assessment of Distributed Generators that impact (or may impact) on the National Electricity Transmission System.	The Authority approved WACM3 on 04 January 2024, which was implemented on 18 January 2024.

**Awaiting Decisions**

Modification	What this seeks to achieve	Expected Decision Date
<b>CMP330&amp;CMP374</b>	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.	08/05/2024 (previously 08/03/2024)
<b>CMP344</b>	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.	05/02/2024 (previously 26/01/2024)
<b>CMP392</b>	Under CMP391 a definition of “Charges for Physical Assets Required for Connection” which reflects the Limiting Regulation has been added to the CUSC. CMP392 seeks to provide stakeholders with legal certainty and transparency of the methodology including the calculation and the output of the calculation.	29/02/2024 (previously 31/01/2024)
<b>CMP396</b>	Seeks to re-introduce BSUoS on Interconnector Lead Parties to reflect BSUoS is an energy management cost and not a transmission access charge.	16/02/2024
<b>CMP398</b>	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	29/02/2024 (previously 30/01/2024)
<b>CMP408</b>	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.	To be confirmed
<b>CMP411</b>	Seeks to introduce Anticipatory Investment (AI) and a mechanism for the recovery of AI costs within the Section 14 charging methodologies	29/03/2024
<b>CMP412</b>	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).	29/02/2024 (previously 30/01/2024)
<b>CMP414</b>	Seeks to enact the Workgroup solution from CMP330/CMP374, by updating Exhibit B, Section 2 and Section 11 of the CUSC	08/05/2024 (previously 08/03/2024)
<b>CMP415</b>	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.	To be confirmed

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 29 January 2024 and is published [here](#).

**Prioritisation Stack**

The Panel discussed the prioritisation of the following Modifications:

Modification	What this seeks to achieve	Panel Comments	Position in Prioritisation Stack
<b>CMP428</b>	To define the User Commitment liabilities for generators connected to circuits being classified as onshore transmission within the Holistic Network Design (HND). This is to ensure that the purpose and function of circuits classified as onshore transmission are considered when determining which users are responsible for the associated liabilities.	Panel agreed that due to the risk to customer liability and CMP426's prioritisation it should be placed as 'High'	High

Every quarter the CUSC Panel hold a more in-depth review, the next in-depth review scheduled for the April 2024 Panel.

The latest prioritisation stack can be found [here](#)

## In flight Modifications

WACM2 Withdrawal Discussion: [CMP413: Rolling 10-year wider TNUoS generation tariffs](#)

The Panel agreed the current CMP413 WACM2 proposal would have a substantially different effect to CMP413.

Modification Timeline Update: [CMP419: Generation Zoning Methodology Review](#)

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

Modification Terms of Reference Update: [CMP420: Treatment of BSUoS Revenue Recovery, and creation of a BSUoS Fund](#)

The Panel approved the amended Terms of Reference as submitted within the Panel Papers.

The next [Modification Tracker](#) will be published on 07 February 2024.

## Workgroup Reports

There were no Workgroup Reports presented to the Panel.

## Draft Final Modification Reports

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

### **CMP286 'Improving TNUoS Predictability Through Increased Notice of the Target Revenue used in the TNUoS Tariff Setting Process'**

The purpose of this modification proposal is to improve the predictability of TNUoS demand charges by bringing forward the date at which the target revenue used in TNUoS tariff setting is fixed to allow customer prices to more accurately reflect final TNUoS rates.

The Panel has recommended by majority that the Proposer's solution and WACM1 better facilitate the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 08 February 2024.

**CMP286** documentation can be found [here](#)

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

CMP375 seeks to amend the calculation of the Expansion Constant & Expansion Factors to better reflect the growth of and investment in the National Electricity Transmission System (NETS), CMP315 is a related but separate change and seeks to review how the Expansion Constant is determined such that it best reflects the actual NETS costs as a result of locational decisions taken by generation and/or demand.

The Panel has recommended by majority that the CMP315 Original solution better facilitate the CUSC Applicable Objectives.

The Panel has recommended unanimously that the CMP375 Original solution, and by majority, that WACM2 better facilitate the CUSC Applicable Objectives.

The Final Modification Report will be sent to Ofgem on 07 February 2024.

**CMP315** and **CMP375** documentation can be found [here](#)

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### **Other**

The Chair confirmed that Grace March had resigned from the CUSC Panel effective from February 2024. The CUSC Panel thanked Grace for her time as a valued CUSC Panel Member and CUSC Alternate Panel Member, wishing her well in the future.

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### **Questions or feedback?**

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