Transmission Charging Methodologies Forum and CUSC Issues Steering Group

Meeting 143 - 1 February 2024

ESO

Agenda

1	Introduction, meeting objectives and review of previous actions **Camille Gilsenan - ESO**	10:30 - 10:35
2	Connections Process Advisory Group verbal update **Garth Graham - SSE**	10:35 - 10:45
3	Connections and 5 Point Plan update **Alex Curtis, ESO**	10:45 - 10:55
4	Market Wide Half Hourly Settlement (MHHS) **Neil Dewar & Keren Kelly - ESO**	10:55 - 11:15
5	TNUoS Task Force update **Harriet Harmon - Ofgem**	11:15 - 11:25
6	Arrangements for 29 February TCMF @ Faraday House **Camille Gilsenan - ESO**	11:25 - 11:30
7	Comfort break	11:30 - 11:35
8	Potential CUSC Defect: Double Counting of Cancellation Liability and Security **Tony Cotton - Energy Technical & Renewable Services Ltd**	11:35 - 11:55
9	Introduction to TCMF Storage Subgroup **Neil Dewar - ESO**	11:55 - 12:05
10	Code Administrator update **Milly Lewis - Code Administrator ESO**	12:05 - 12:10
11	AOB and Meeting Close **Camille Gilsenan - ESO**	12:10 - 12:25

TCMF Objective and Expectations

Objective
Develop ideas, understand impacts to industry and modification content discussion, related to the Charging and Connection matters.
Anyone can bring an agenda item (not just the ESO!)

Expectations
Explain acronyms and context of the update or change
Be respectful of each other’s opinions and polite when providing feedback and asking questions
Contribute to the discussion
Language and Conduct to be consistent with the values of equality and diversity
Keep to agreed scope

Review of previous actions

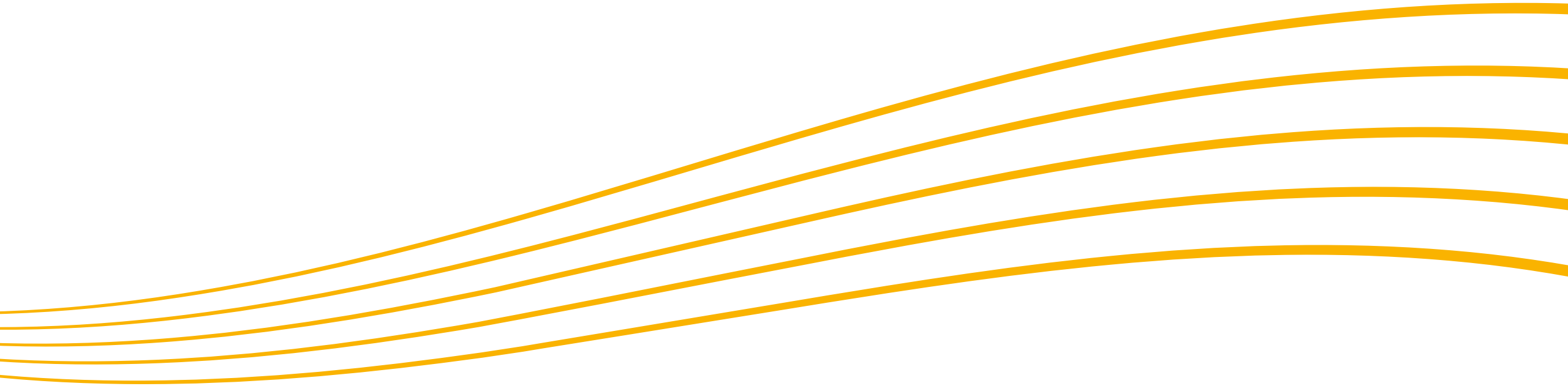
ID	Month	Description	Owner	Notes	Target Date	Status

Connections Process Advisory Group verbal update

Garth Graham - SSE

Connections and 5 Point Plan update

Alex Curtis - ESO



ESO Connections Update

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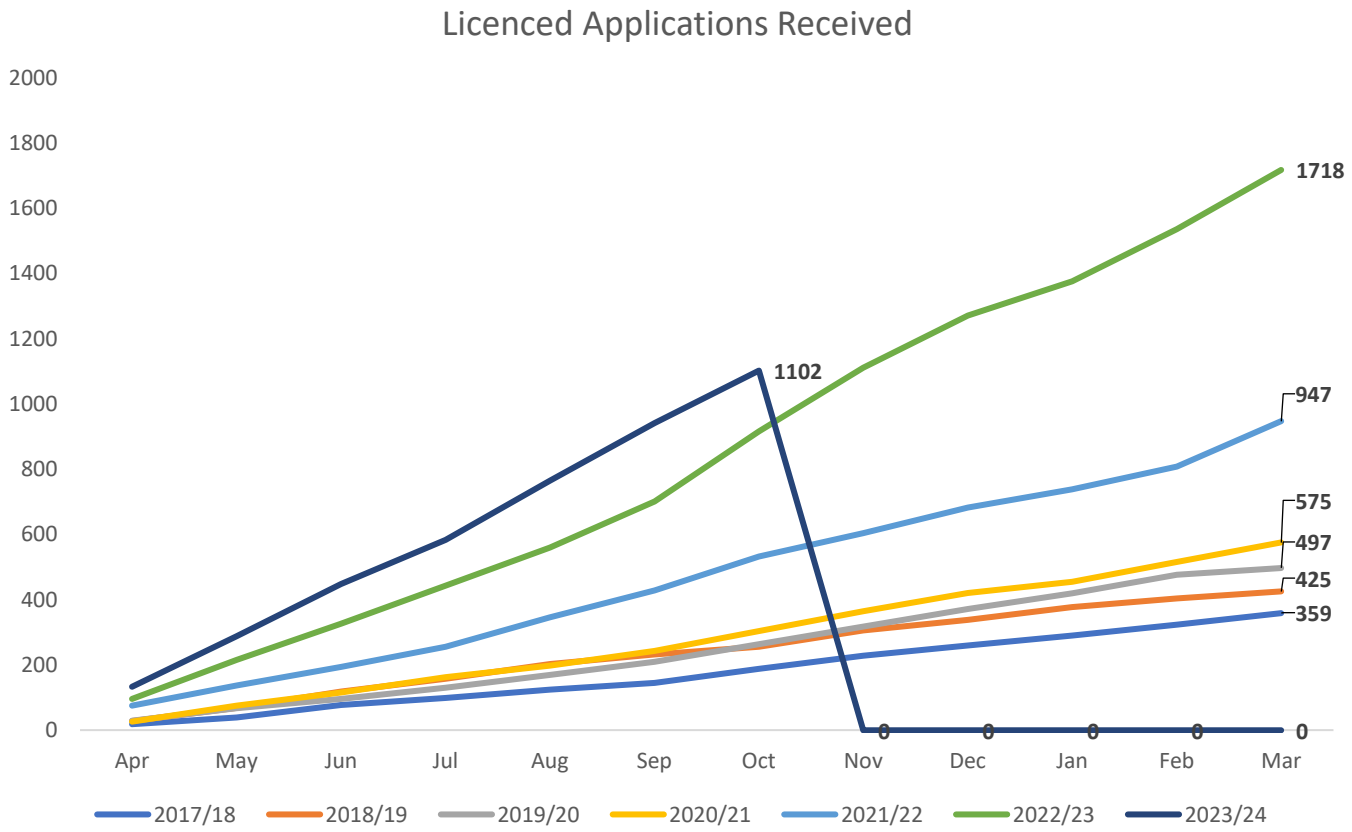
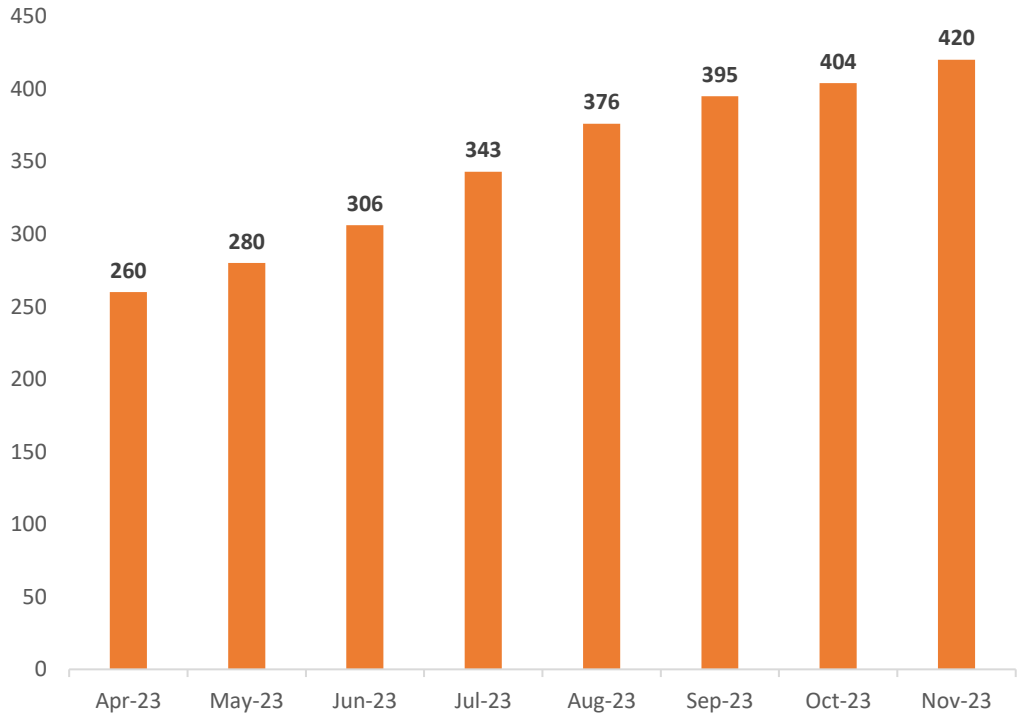
Connection Applications

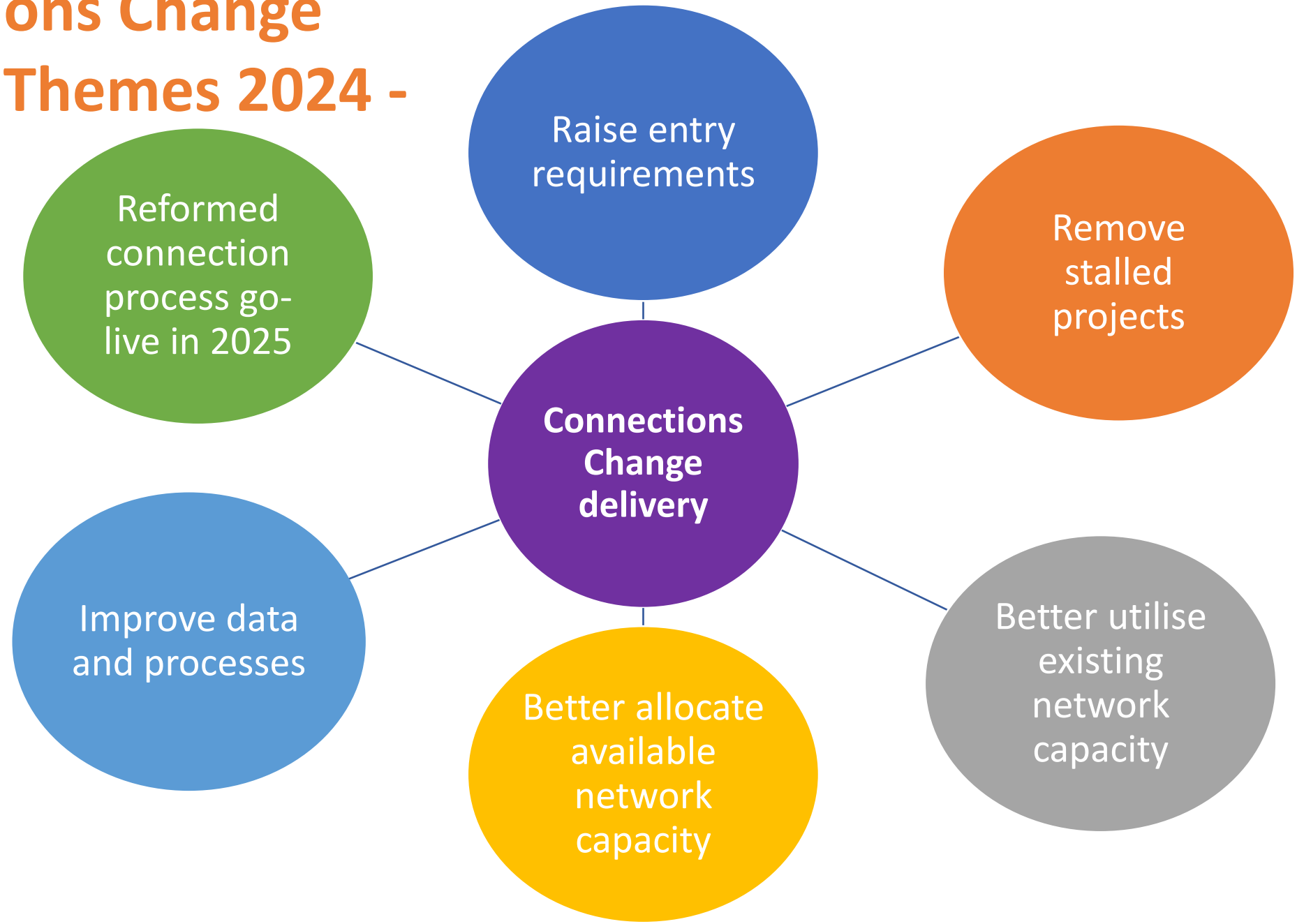
The number of licenced connection applications has increased over the last 5 years, with a marked increase over the last 2 years. This increase is driven mainly by new Offshore Wind and Battery Energy Storage applications.

The increase in applications has in turn increased the contracted background and connection queue to **454GW**, which is an increase of **180GW** in the last 8 months (transmission only).





Connections Change Delivery Themes 2024 - CAP

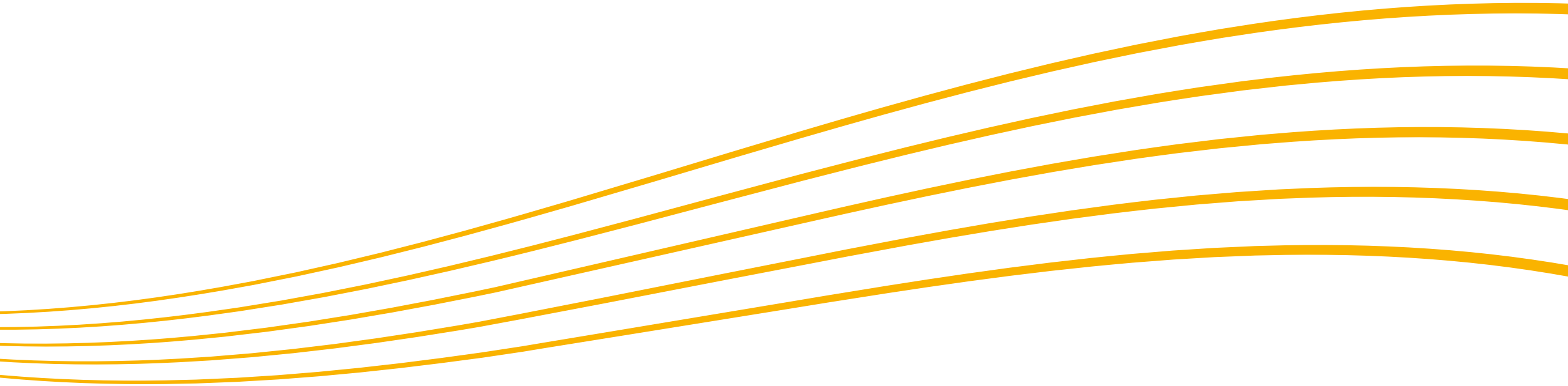


ESO Connections Strategy and Change Delivery Plan 2024

Theme	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Raise entry requirements	Letter of Authority: raise urgent code mod			LoA urgent code mod progressed through to implementation. And consider further LoA requirements								
	Develop further proposals to raise entry requirements			Next steps subject to CDB review of recommendations								
Remove stalled projects	Implement CMP376 queue management milestones to existing queue and to new applications (rolling programme prioritising projects with earliest connection dates). Monitor and report impact											
	Explore more stringent measures to improve certainty of progression			Proceed to developing and implementing more stringent measures following review of options at end of Quarter 1								
	TEC Amnesty implemented within 5 point plan: variations issued to participating projects in 2023.											
Better utilise available network	Transmission Works Review utilising revised modelling assumptions - with aim to issue accelerated connections dates, where possible, to projects that expressed interest											
	BESS non-firm Tranche 1 ends	Develop and agree schedule for Tranche 2		Implement tranche 2 of accelerated non-firm connections dates for BESS								
	Proposals to standardise connection design			Next steps subject to review of options and recommendations at the end of Quarter 1								
	Alignment with strategic planning approaches											
	Recommendations for flexibility and innovation											
	Ofgem decision on contestability due in March											
	Review scope of enabling works											
	Review scope to further improve CPAs to optimise planning											
Better allocate existing network	Effectively allocate capacity released in the short term			Implement updated approach to allocating capacity								
				Decide longer-term approach to allocate capacity, complementing strategic network planning, to go-live Q1 2025								
Improve data and processes	A single digital view of network data for connections customers											
	Develop Distribution Forecast Transmission Capacity approach											
	TL Phase 1 ends	Technical Limits Phase 2										
	Identify and resolve inconsistencies			Review approach as CSNP methodology develops								
Prepare for reformed connection process go-live in Jan'25	End-to-end process design for the reformed connections process											
	Finalise approach to Gate 2, window duration and frequency and DFTC											
	Develop network design methodology to support the reformed connection process											
	Identify and draft required code mods			Submit urgent code mods	Workgroups and open governance process				Ofgem consideration and decision			
	Develop and finalise 'Add-on' features identified in Reform final recommendations for reform MVP											
Longer term	Ensure connections process is integrated with strategic planning											
Additional measures	Package 2 - Further network planning revisions			Next steps to be determined after sharing further information at Connections Delivery Board								
	Package 3- towards strategic energy planning											
	Package 4 - market-based approach											
	Package 5 - a hybrid of packages 3 and 4											
	Package 6 - Additional measures before reform go-live (including the potial role and duration of a moratorium and the approach to connection offers)											
Connections portal and other DD&T	Portal release: QM Milestones added	Portal release: compliance process	Portal: Digital DRC & unlicensed applications	Connections Portal and other data & digital developments to delivery of connections reform (including pre-application data)								
Offshore hybrid assets												

Market Wide Half Hourly Settlement (MHHS)

Keren Kelly & Neil Dewar - ESO



Agenda

1. Update on MHHS Programme Change Freeze
2. Proposed CUSC Governance Plans

MHHS Programme Change Freeze

The MHHS Programme Change Freeze has been formalised to address instability during MHHS Programme delivery, implementation and go-live - further detail is available from the Cross Code Advisory Group

Industry changes with no impact to MHHS are not affected

Ofgem will make decisions on whether to approve external changes that may impact on the MHHS Target Operating Model (TOM)

Milestone	Target Operating Model (TOM) Change Status	External Changes that impact the MHHS TOM	External Changes that have no impact on the MHHS TOM
Pre-M9	Changes accepted to improve the Design.	Need a Programme Change Request (CR) to implement.	No impact.
Post M9	Design changes are only accepted if without which the system would not work. "Nice to haves" will go into the backlog. Only P1 and P2 defects are facilitated post M9 pre M10. P3 and P4 defects going into the backlog.	Need a Programme CR to confirm impact, and assessment as whether it meets "TOM deficiency" threshold. **Or** are strategically important that Ofgem accepts the impact on the MHHS timetable.	No impact.
Post M6	Design Change as above, but extended to Code Changes so they must meet the deficiency in the Code threshold	Need a Programme CR to confirm impact, and assessment as whether it meets to "TOM deficiency" threshold. **Or** are strategically important that Ofgem accepts the impact on the MHHS timetable.	No Impact.
Post M8 and M10	Design changes are Business As Usual (BAU) (with relevant Code Body) unless they impact the migration process. Same for Code Changes.	Design Changes are BAU with relevant Code Body unless they impact the migration process. Same for Code Changes. A Programme CR impact assessment is required against the migration process.	No impact.
Post M15	All Changes are BAU.	All Changes are BAU.	No impact.

If a CUSC Modification requires a consequential Mod that impacts on the MHHS TOM, a MHHS Change Request must be raised.

This will be impacted assessed through industry consultation and presented through MHHS governance to Ofgem for a decision.

MHHS PROGRAMME
Industry-led, Elexon facilitated

ESO

MHHS Milestones – for reference

Milestone Reference	Date	Description
M9	Oct-23	System Integration Testing Start
M6	Aug-24	Code Changes Baselined
M8	Mar-25	Code Changes Delivered
M10	Mar-25	Central systems ready for migrating MPANs
M15	Oct-26	Full transition complete

CUSC Governance Update

What are we doing?

- Following on from extensive discussions between Ofgem and ESO, Ofgem have advised that any CUSC Modifications relating to TNUoS (mitigation of double charging/cost allocation without existing Measurement Class) should be raised outside the scope of the MHHS Programme – i.e. follow Standard CUSC Governance and not Significant Code Review (SCR)

How do we plan to make sure we maintain pace with MHHS Programme, preventing delays?

- Objective is to ensure approval of any Modifications by Ofgem before 30th September 2024 for implementation for start of Charging Year 2025, 1st April, which coincides with Migration Start date. This will ensure compliance with cut off dates for changes to CUSC Charging Methodologies, introduced by CMP292

Suggested governance approach

- ESO is considering raising as Urgent Modification(s) and believe it would merit under current criteria:
  - (a) significant commercial impact on parties, consumers or other stakeholder(s)

- ESO believes this approach would support achievement of timescales to align with the Market Wide Half Hourly Settlement Programme and introduce a solution for Charging Year 2025

CUSC Modification

What is the defect?

- Since CMP266 was approved in 2016, subsequent Modifications CMP318 and CMP401 have extended the protection for MPANs in Measurement Classes F and G. This was to prevent double charging should that site experience a Change of Measurement Class (CoMC) during certain times during the Charging Year

- The Measurement Class data item is not part of the MHHS design and it has been established during 2023, that new MHHS Consumption Component Classes (CCC) would not allow for like for like segmentation of MPANs, that ESO understood they would

- Without taking any action:
  - demand data cannot be segmented in a way that maintains the same application of TNUoS charging for all sites, once they have been migrated to the new MHHS arrangements
  - the risk of double charging MPANs increases during Migration as sites move from legacy arrangements to the new MHHS arrangements

- ESO needs to introduce new TNUoS Charging arrangements for the Migration period through a CUSC Modification with proposed assessment by a Workgroup

- There will need to be code revisions to account for the changes to references for Measurement Class. These will be included as part of the MHHS BSC Code drafting process and circulated to industry as part of the MHHS Industry Consultation. ESO will work with Elexon to ensure consistency across industry codes

MHHS CUSC Modifications Timeline (Indicative)

Moveable Dates

Activity	Due Date (s)
Present at TCMF	1 Feb
Present to Code Admin (If Mod Non-Urgent)	8 Feb
Present to Code Admin (if Urgent)	19 Feb
CUSC Panel	23 Feb
WG Nominations	23 – 29 Feb
Decision on Urgency	29 Feb

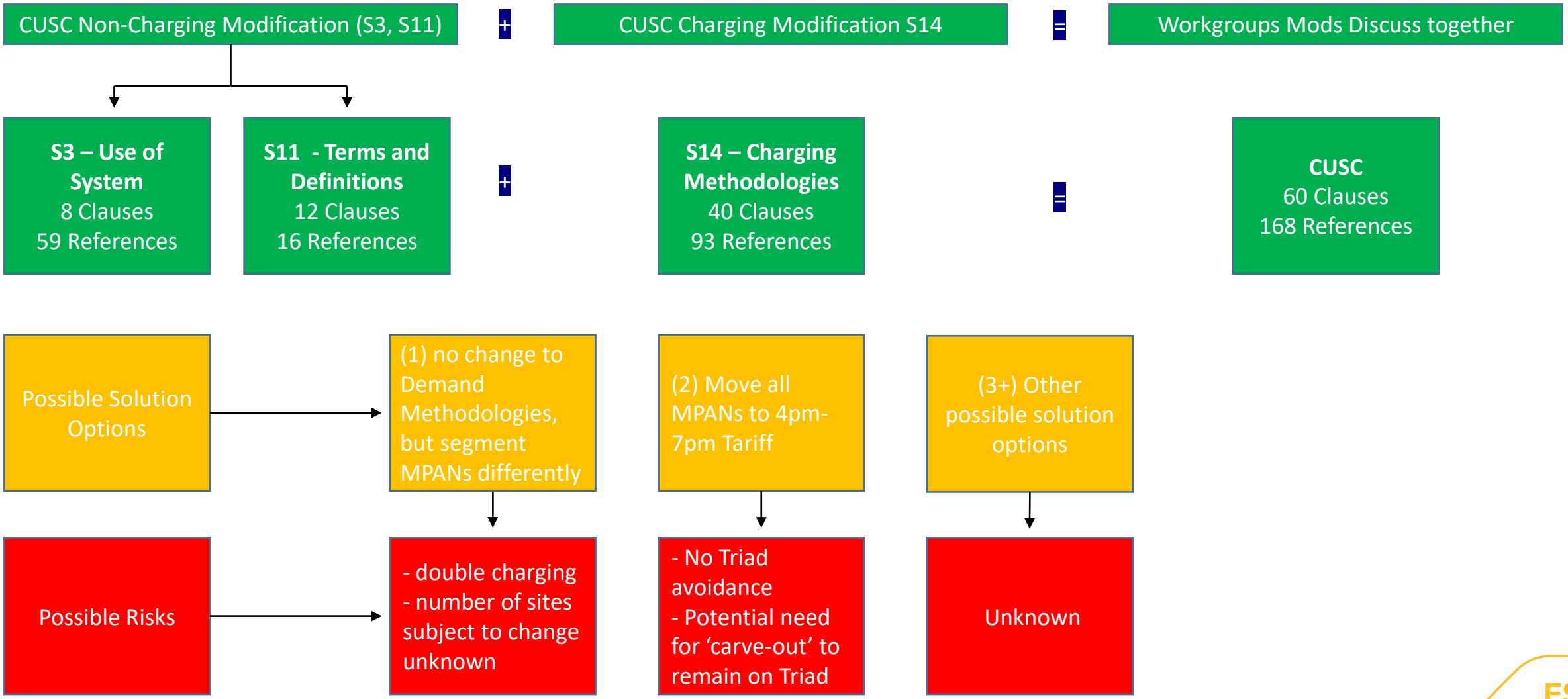
Activity	Due Date (s)
Workgroup	5, 6, 7 March
Workgroup	19, 21 March
Workgroup	26, 28 March
Workgroup	2, 5 April
Workgroup Consultation	9 – 12 April
Workgroup	15, 16, 17 April
Workgroup	22, 23 April

Probably Un-Moveable Dates

Activity	Due Date (s)
Workgroup Report sent	24 April
Workgroup Report discussed at Panel	26 April
Code Administrator Consultation	30 April – 9 May
Final Modification Report (CUSC Panel)	30 May
Anticipated Decision by Ofgem *Re CMP292	30 Sept
Implementation	1 April 2025

Multiple Dates = potential multiple WG in same week

MHHS - Potential CUSC Modifications Process



TNUoS Demand Charging in CUSC (1)

The CUSC sets out different charging methodologies for Demand Locational charges:

- Chargeable Demand Locational Capacity:
  - the average of the **Supplier BM Unit's half-hourly metered gross demand during the Triad**
  - charged according to the demand (MW) they take over the three 'Triad' periods each year; the charge is levied through a £/kW tariff
  - Triads are defined as the three half-hours with the highest system demand, between November and February, separated by at least ten clear days
- Chargeable Energy Capacity:
  - the **Supplier BM Unit's non half-hourly metered energy consumption over the period 16:00 hrs to 19:00 hrs inclusive every day over the Financial Year**
  - levied through a p/kWh tariff
- And, in addition, Chargeable Embedded Export Capacity:
  - the average of the **Supplier BM Unit's half-hourly metered embedded export during the Triad**

The CUSC does not define segmentation between half-hourly and non half-hourly using Measurement Class. However, Measurement Classes are used to describe data in different fields provided in the TUoS Report, or P0210.

SVA Data Catalogue Introduction Volume 1 (elexon.co.uk)

TNUoS Demand Charging in CUSC (2)

Measurement Classes are referred to in CUSC (F and G) to describe special arrangements that are in place up to MHHS Milestone 15 to reduce the risk of a site being charged under both Chargeable Demand Locational Capacity (Triad) and Chargeable Energy Capacity (4pm-7pm) within the same charging year.

The CUSC states that Measurement Classes F and G are treated as Chargeable Energy Capacity (NHH)

Measurement Class E is also referred to, in order to clarify this will be treated as Chargeable Demand Capacity

CMP401 extended the protection of double charging for MPANs in Measurement Classes F and G (extending P272 and CMP318). Although Measurement Class F and G are Half Hourly settled, they are charged TNUoS under the Chargeable Energy Capacity (4pm – 7pm peak)

In addition to the above, for all final demand customers, there is a daily site charge – the Demand Residual

Possible Solution Option (1)

4pm-7pm peak and Triad methodology would remain, with sites segmented between the two using new MHHS Design Data Items i.e. Domestic Indicator, Connection Type Indicator (data provided as per approved CR32)

The sites that could be subject to different charging arrangements are highlighted in yellow in the table below:

Domestic/Non Dom	Connection Type Indicator	Possible Charging	Possible Previous Measurement Class and Charging
Domestic	All	4pm-7pm	A 4pm-7pm F 4pm-7pm C Triad
Non-Domestic	WC (Whole Current)	4pm-7pm	G 4pm-7pm A 4pm-7pm
	L (LV with Current Transformer)	Triad	C Triad E Triad A 4pm-7pm
	H (HV with Current Transformer)	Triad	C Triad E Triad A 4pm-7pm
	E (EHV with Current Transformer)	Triad	C Triad E Triad A 4pm-7pm
	U (Unmetered)	Triad	D (all UMS will be moved from MC B pre-migration) Triad

Possible Solution Option (1)

Pros

- Maintains current segmentation between methodologies as closely as possible until potential change to charging is implemented from recommendations of TNUoS Taskforce

Cons

- Does not eliminate risk of double charging but is reduced as there should be less movement as MHHS CCC is based on characteristics at site
- Double charging could still occur when a site migrated, if the migration (or reverse migration) caused them to move between the demand methodologies
- ESO does not have visibility of the number of sites that could be impacted by a change to methodology – this is only held by Suppliers
- Some sites would be subject to different charging arrangements:
    1. High consuming or large Domestic sites that are currently Measurement Class C are charged under Triad arrangements. It is proposed all Domestic sites would be charged under the 4pm-7pm methodology, which would apply any embedded export benefit in a different way
    2. Microbusiness CT metered sites that have opted out of the provision of half-hourly data under Supply Licence SLC47 will currently have a Non Half Hourly Measurement Class (MC A) and would be charged under the 4pm-7pm methodology. Under this proposal, these would be charged under Triad arrangements with all CT metered sites
    3. Other non-Domestic CT metered sites may be registered as Measurement Class A. However, the recent approval of P432 will mean that these sites will move to Measurement Class C or E prior to MHHS Migration start. These sites would therefore not experience a change in Charging arrangement as a result of this solution option
    4. Reverse migration is possible where a migrated site switches to a supplier that is not MHHS qualified. In this scenario, a site will be registered with the previous Measurement Class held.

Option E – All move to year round 4pm-7pm

Amend CUSC to move all sites to year round 4pm-7pm peak charging

Pros

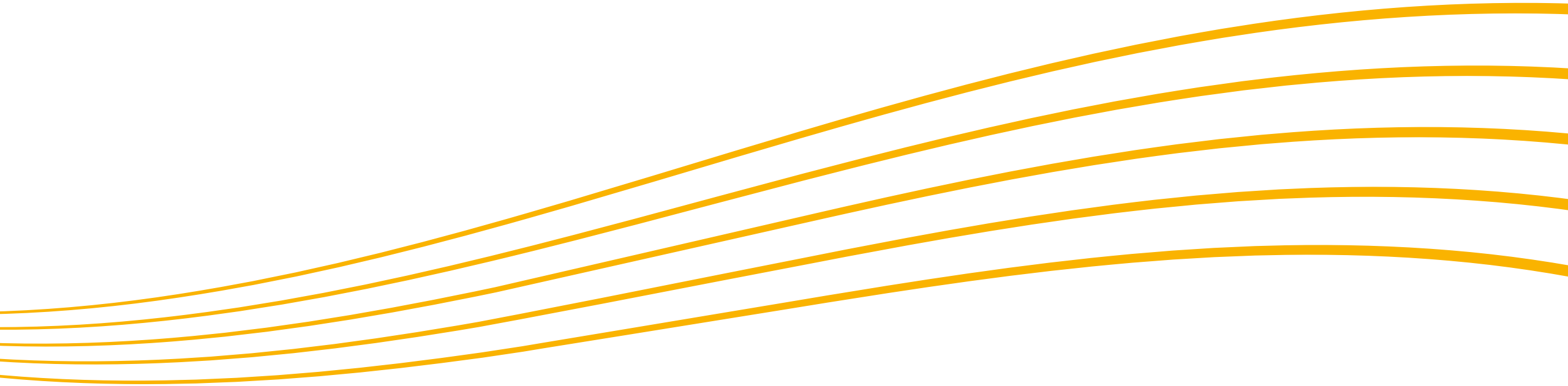
- Change effective from April-25 so no risk of double charging from beginning of migration period
- Maintains current arrangements for domestic customers
- Data for this is already received on the P0210

Cons

- No one able to participate in Triad avoidance
- Concern raised on impacts to certain types of consumers e.g. storage, UMS, those in receipt of embedded benefits

TNUoS Task Force update

Harriet Harmon - Ofgem



TNUoS Task Force update

- On Thursday 25th January the TNUoS Task Force met in person.

- The days agenda was Frontier and LCP playing back analysis they have been carrying out for the last few months as well an update to Task Force on TO Data inputs session (All slides and a headline report can be found here).

- Demand signals: high level assessment of possible options for, reform to the charging of locational TNUoS to demand users.
- Data Inputs: Exploring the impact of a range of different TNUoS charge inputs on locational and residual charge volatility and predictability.
- Update Task Force on TO Data inputs session

- Next steps: The Signals and Data Inputs will take away the analysis and explore the need for further investigation before presenting a case for change to Task Force.
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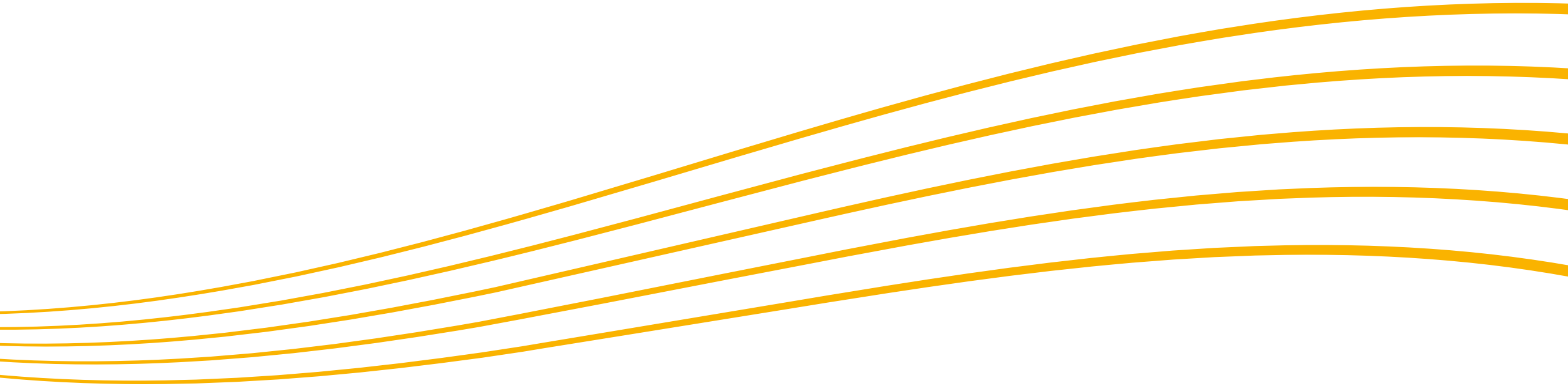
Charging Futures

Arrangements for 29 February TCMF @ Faraday House

Camille Gilsenan - ESO



Please help us make arrangements for the February in person TCMF

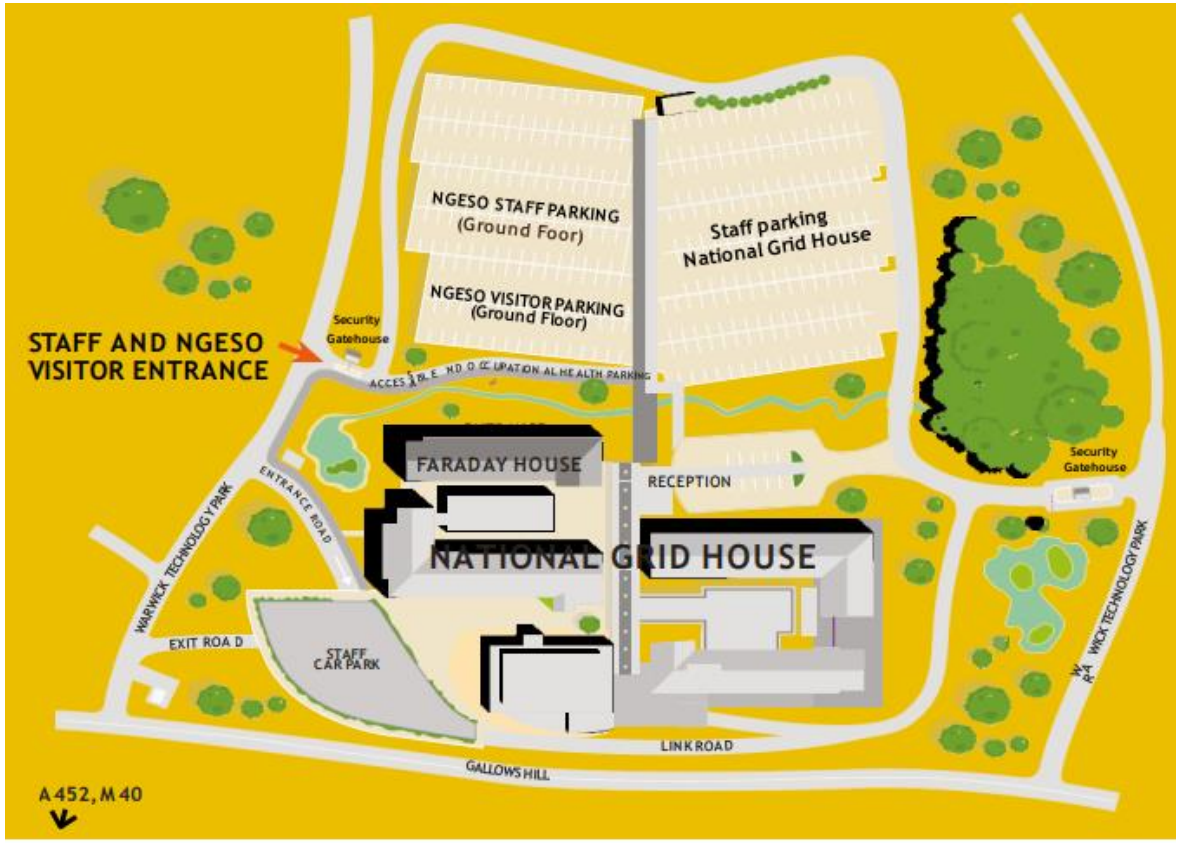
- Please complete the MS Form (even if you intending to join remotely on the day)

How to get here

By Rail, Warwick Station is approximately 10 minutes taxi ride away. Leamington Station is approximately 10 minutes taxi ride away.
For information on train operators and times phone National Rail Enquires on 0845 7484950.

By Air, Birmingham International Airport is approximately 30 minutes drive away.

To locate the site please use CV34 6DA for your SATNAV.




Comfort Break

Potential CUSC Defect: Double Counting of Cancellation Liability and Security

Tony Cotton, Energy Technical & Renewable Services Ltd

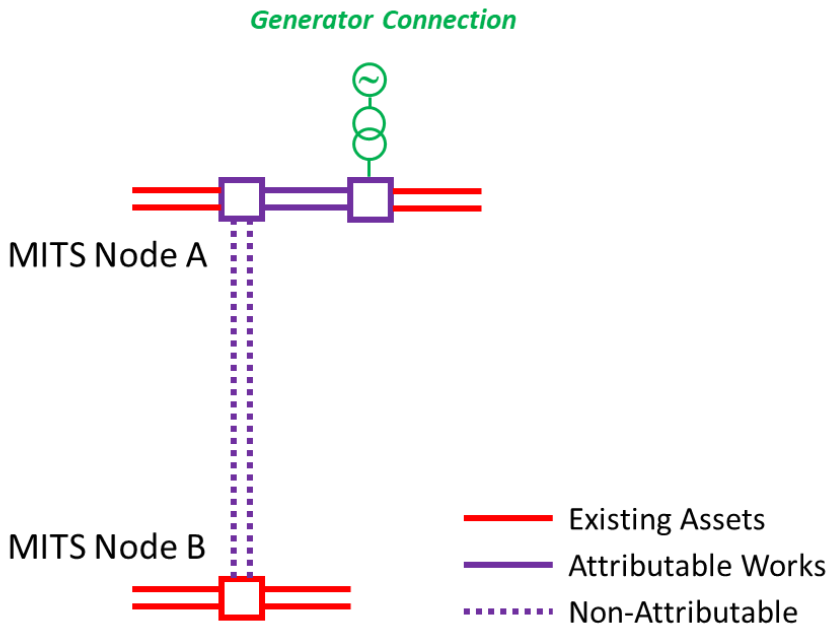
Potential CUSC Defect
Double Counting of Cancellation Liability and Security

Tony Cotton

Director, Energy Technical & Renewable Services Ltd

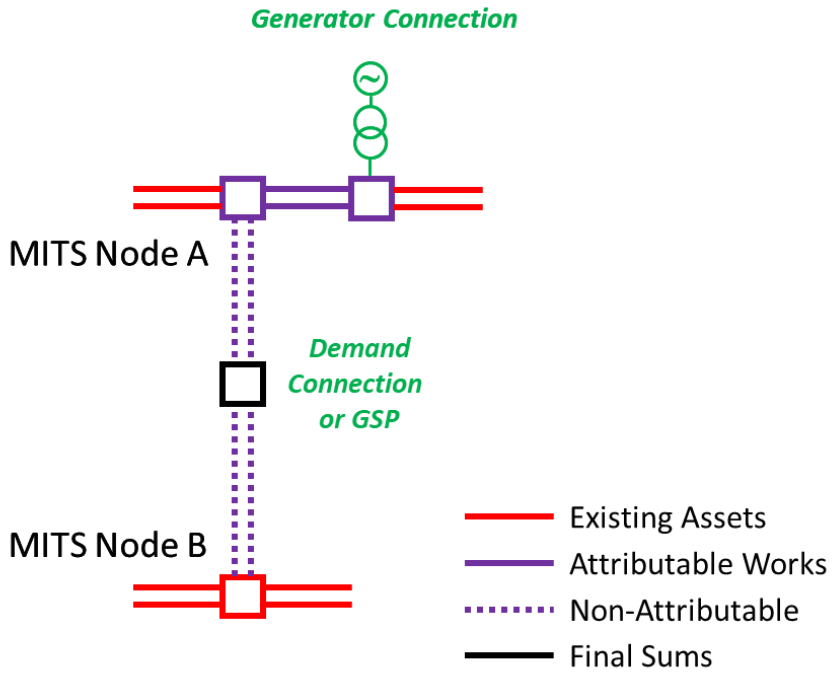
Defect Identified: Context

- Assume a new generator connection near to MITS Node A
- Reinforcement Works at the connection site and to and at MITS Node A are Attributable under Generator User Commitment (GUC)
- Reinforcement Works on the circuits to MITS Node B are Non-Attributable and the cost goes into the zonal charge for the Wider Cancellation Charge Liability



Double-counting of Works for Wider Liability

- Now assume a new demand connection or non-generation GSP between MITS Nodes A and B
- The new GSP is secured under the Final Sums Liability methodology
- However, the wording of the CUSC means that the cost of the works at the new GSP goes into the zonal charge for the Wider Liability therefore it is secured twice, once in FSL, once in the Wider Liability



“Final Sums” Definitions

- As defined in CUSC Section 11:

  in relation to a particular **User**, as defined in its **Construction Agreement**;

- As defined in each Construction Agreement:

  the amount payable by the **User** on termination of this **Construction Agreement** being the aggregate from time to time and for the time being of:-

  (1) all **The Company Engineering Charges** arisen prior to the date of termination;

  (2) fees, expenses and costs (excluding costs on account of interest charges incurred by The Company) of whatever nature reasonably and properly incurred or due by **The Company** in respect of any part of the **Construction Works** carried out prior to the date of termination of this **Construction Agreement**;

  3) *fees expenses and costs in relation to termination of any contract (including under the **STC**)*
  4) *reasonable costs of removing any **Transmission Connection Assets** and making good; and*
  5) *interest on such amounts.*

  Provided that no sum shall be due in respect of **Final Sums** in respect of fees, expenses and costs associated with (a) the **Seven Year Statement Works** and/or (b) **Transmission Reinforcement Works** and specified in Part 2 of Appendix H.

Note – text in italics paraphrased for brevity

GUC Definitions (per CUSC s15 para 3.6.2)

The **Wider Cancellation Charge** results in a £/MW charge calculated as follows:

Zonal Unit Amount *x (MW of reduction in* ***Transmission Entry Capacity*** *or* ***Developer Capacity*** or **Interconnector User Commitment Capacity***) x* ***Cancellation Charge Profile***

The **Zonal Unit Amount** is a £/MW figure calculated by reference to the **Generation Zone** in which the **Power Station** or **Interconnector** is to be located as set out in the **Cancellation Charge Statement**. It is calculated by reference to the **Annual Wider Cancellation Charge Statement** …

Where the ***Zonal Unit Amount*** *=* ***Load Related Boundary Capex*** *apportioned to* ***Boundaries*** *by* ***Boundary (LR) Level*** *and* ***Non Load Related Boundary Capex*** *apportioned to* ***Boundaries*** *by* ***Boundary (NLR) Level****, summated and multiplied by* ***Boundary Non Compliance Factors*** *and then mapped to* ***Generation Zones*** *and divided by the* ***Wider User Commitment Liability Base****, [excluding terminations and TEC or capacity reductions]*

GUC Definitions (per CUSC s15 para 3.6.2)

*Where **Load Related Boundary Capex** is the capex required to increase capability in the network as determined by **The Company** for a given **Financial Year**, excluding any **Attributable Works Capital Cost**, multiplied by the **User Risk Factor** and the **Global Asset Reuse Factor**, as set out in the **Annual Wider Cancellation Charge Statement**.*

*Where **Non Load Related Boundary Capex** is the capex required to maintain capability in the network as determined by **The Company** for a given **Financial Year**, excluding any **Attributable Works Capital Cost**, multiplied by the **User Risk Factor** and the **Global Asset Reuse Factor**, as set out in the **Annual Wider Cancellation Charge Statement**.*

GUC Definitions (per CUSC s11)

"**Attributable Works Capital Cost**"	means the fees, expenses and costs of whatever nature reasonably and properly incurred or due in respect of each component within the **Attributable Works**;
"**Attributable Works**"	those components of the **Construction Works** which are required (a) to connect a **Power Station** or **Interconnector** which is to be connected at a **Connection Site** to the nearest suitable **MITS Node**; or (b) in respect of an **Embedded Power Station** from the relevant **Grid Supply Point** to the nearest suitable **MITS Node** (and in any case above where the **Construction Works** include a **Transmission** substation that once constructed will become the **MITS Node**, the **Attributable Works** will include such **Transmission** substation) and which in relation to a particular **User** are as specified in its **Construction Agreement**;

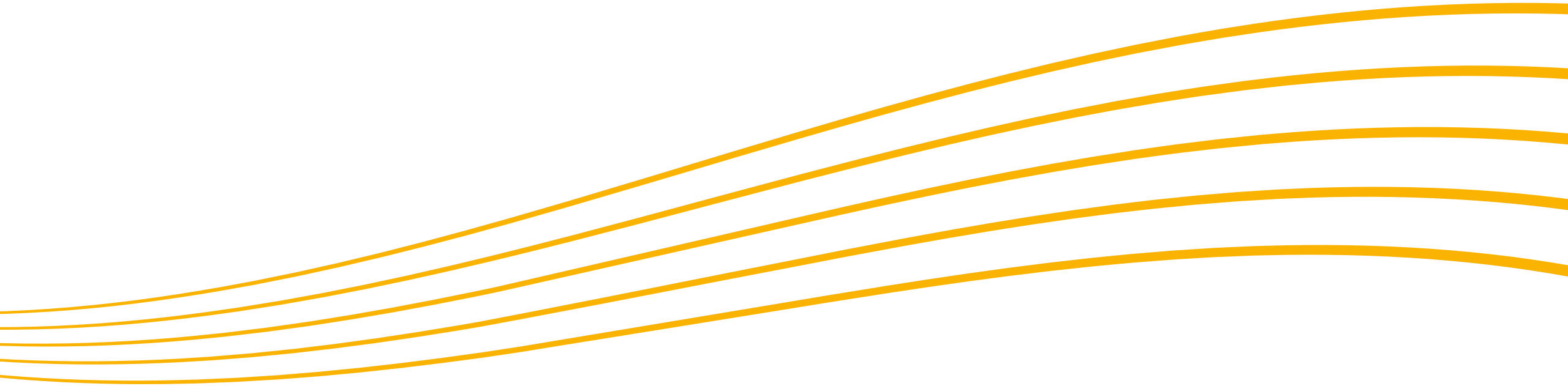
Note: similar definitions and provisions in the STC repeat the same issue in that code

Potential Solution

- CMP417 working group (along with the CM093 working group) will be determining a suitable definition for “Attributable Works” in the context of demand connections
- If these modifications change the CUSC and STC definition of Attributable Works to include works for both generators and demand, then the issue is likely to be solved in due course. Otherwise it will remain, as CMP417 cannot propose changes for the GUC methodology directly.
- In any event, until a change is made this issue affects all Users subject to Wider Cancellation Charges (either as levied upon termination of an agreement, or as security required ahead of Completion)
- That said, the materiality of the issue can only be determined by ESO as the data required is not in the public domain

Introduction to TCMF Storage Subgroup

Neil Dewar - ESO



Storage TNUoS Subgroup

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Storage TNUoS Subgroup

Context

A subgroup will help steer industry and ESO towards ensuring storage is treated appropriately in the TNUoS methodology

At Charging Futures forum in October, Ofgem announced the ESO would be setting up a subgroup with industry. Dates are TBC

The ESO will lead on this work with members from industry

This slidepack will illustrate progress to date and next steps

Ask 1 – Feedback on Proposed Scope of this Subgroup

In scope

- What TNUoS signals are sent for Storage?
- Further analysis of storage behaviour and the extent to whether this should be reflected in TNUoS
- How to improve locational investment signals for storage
- Storage treatment in investment planning

Out of scope

- Operational signals – TNUoS taskforce
- Connection charges

TERMS OF REFERENCE TO BE DEVELOPED

What progress has happened so far?

- ESO and Ofgem have liaised on Scope, Industry engagement, and potential provisional timeline has been developed (please see slide 5-8)
- We are looking to hold a webinar, via the Charging Futures Platform , in w/c 12th February for parties who would be interested in taking part. **An invite will follow TCMF to the Charging Futures Mailing List**
- An application process will then follow, ensuring representation from different industry sectors.
- The subgroup will take place over a proposed 3 month period, with interim and final reports being produced, suggesting potential code changes to the TNUoS methodology
- The Subgroup supports the work of TNUoS Taskforce and will work closely with that workstream
- ESO will look to apply for innovation funding to secure external analysis to support the work of this Subgroup

Proposed Timelines (1) – External Industry Liaison/Preparation

Milestone	Dates
Seek industry nominations - TCMF - Charging Futures Webinar to promote	1st February – 18th February 2024
Interested Stakeholders apply - Ofgem liaison	19th February – 26th February 2024
Review Applications	26th February – 28th February
Advise Successful Applicants	1st March 2024
TCMF - Advise applicants - Advise timelines for subgroup to start	7th March 2024
- Charging Futures Forum update	
Liaison with TNUoS Taskforce	March 2024
Preparation	March 2024

Proposed Timelines (2) – Subgroup Meetings

Milestone	Dates
Meeting 1	w/c 8th April 2024
Meeting 2	w/c 29th April
Meeting 3	w/c 20th May 2024
Meeting 4	w/c 10th June 2024
Meeting 5	w/c 1st July 2024

Ask 2 – Do you agree with Stakeholder Liaison, Selection Process and outputs?

Suggested ways to engage:

- Charging Futures
- Industry Fora – e.g TCMF
- Engagement with Industry Bodies
- Close engagement with TNUoS TF

What outputs would the subgroup produce:

- Meeting summaries
- Interim and Final Reports
- Webinars/Podcasts for transparency
- Presentations at Charging Futures Forum in March and June (Date TBC)

Learnings to be taken from:

- BSUoS Task Forces
- TNUoS Task Force

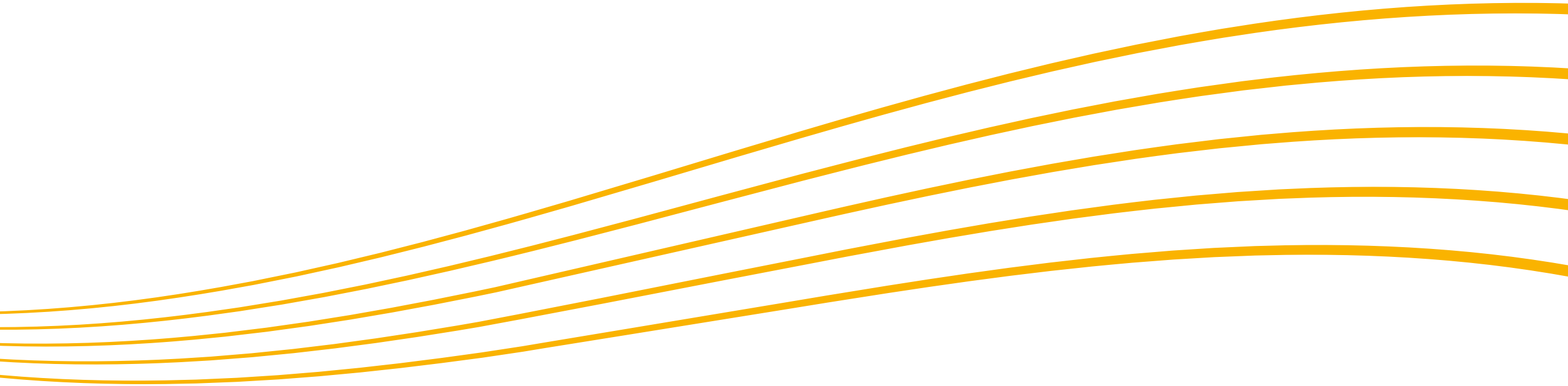
Application process to be similar to both activities – ensuring a broad and diverse range of stakeholders

Asks from TCMF

- Does TCMF have any feedback on the scope and draft timeframes?
- Does TCMF have any feedback on the Stakeholder Engagement Plan, Selection Process and outputs?

Code Administrator Update

Milly Lewis - Code Administrator ESO



Key Updates since last TCMF

New Modifications

- **CMP428 'User Commitment liabilities for Onshore Transmission circuits in the Holistic Network Design'**
- **CMP429 'Typographical and formatting updates following the implementation of CMP376 (Inclusion of Queue Management process within the CUSC)'**

Decisions

- **CMP298 'Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation' WACM3 approved**

Implementations

- **CMP298 'Updating the Statement of Works process to facilitate aggregated assessment of relevant and collectively relevant embedded generation'**

Authority Expected Decision Date

Modification	Final Modification Report Received	Expected Decision Date
CMP330&CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10/08/2023	08/05/2024 (previously 08/03/2024)
CMP344 'Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology'	08/02/2023	05/02/2024 (previously 26/01/2024)
CMP392 'Transparency and legal certainty as to the calculation of TNUoS in conformance with the Limiting Regulation'	13/10/2023	29/02/2024 (previously 31/01/2024)
CMP396 'Re-introduction Of BSUoS on Interconnector Lead Parties'	05/01/2024	16/02/2024
CMP398 'GC0156 Cost Recovery mechanism for CUSC Parties'	11/07/2023	29/02/2024 (previously 30/01/2024)
CMP408 'Allowing consideration of a different notice period for BSUoS tariff settings'	13/10/2023	TBC
CMP411 'Introduction of Anticipatory Investment (AI) within the Section 14 charging methodologies'	05/01/2024	29/03/2024
CMP412 'CMP398 Consequential Charging Modification'	11/07/2023	29/02/2024 (previously 30/01/2024)
CMP414 'CMP330/CMP374 Consequential Modification'	10/08/2023	08/05/2024 (previously 08/03/2024)
CMP415 'Amending the Fixed Price Period from 6 to 12 months'	13/10/2023	TBC

The Authority's publication on decisions can be found on their website below:
https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable

* Dates moved since last update

Key Updates ahead of the next TCMF

February Consultations

- **CMP420** (Treatment of BSUoS Revenue Recovery, and creation of a BSUoS Fund) Workgroup Consultation scheduled to run from **12 February 2024 until 5pm 01 March 2024**
- **CMP427** (Update to the Transmission Connection Application Process for Onshore Applicants) Code Administrator Consultation scheduled to run from **12 February 2024 until 5pm 16 February 2024**
- **CMP413** (Rolling 10-year wider TNUoS generation tariffs) Code Administrator Consultation scheduled to run from **26 February 2024 until 5pm 15 March 2024**
- **CMP418** (Refine the allocation of Dynamic Reactive Compensation Equipment (DRCE) costs at OFTO transfer) Workgroup Consultation scheduled to run from **29 February 2024 until 5pm 21 March 2024**

Useful Links

Updates on all Modifications are available on the Modification Tracker here

Ofgem's expected decision dates/ date they intend to publish an impact assessment or consultation, for code modifications that are with them for decision are available here

The latest CUSC Panel Headline Report and prioritisation stack are available here

If you would like to receive updates from the Code Administrator on CUSC modifications please join the distribution list here

CUSC 2024 - Panel dates

	Panel Dates	Papers Day	Modification Submission Date	(TCMF) CUSC Development Forum
November	24	16	9	2
December	15	7	30 November	23 November
January	26	18	11	4
February	23 (Face to Face Meeting)	15	8	1
March	22	14	7	29 February
April	26 (Face to Face Meeting)	18	11	4
May	31	23	16	9
June	28	20	13	6
July	26 (Face to Face Meeting)	18	11	4
August	23	15	8	1
September	27	19	12	5
October	25 (Face to Face Meeting)	17	10	3
November	29	21	14	7
December	13	5	28 November	21 November

AOB & Close

CUSC Modification Proposal Check in

ESO

CUSC 2024 - Panel dates

	Panel Dates	Papers Day	Modification Submission Date	(TCMF) CUSC Development Forum
November	24	16	9	2
December	15	7	30 November	23 November
January	26	18	11	4
February	23 (Face to Face Meeting)	15	8	1
March	22	14	7	29 February
April	26 (Face to Face Meeting)	18	11	4
May	31	23	16	9
June	28	20	13	6
July	26 (Face to Face Meeting)	18	11	4
August	23	15	8	1
September	27	19	12	5
October	25 (Face to Face Meeting)	17	10	3
November	29	21	14	7
December	13	5	28 November	21 November

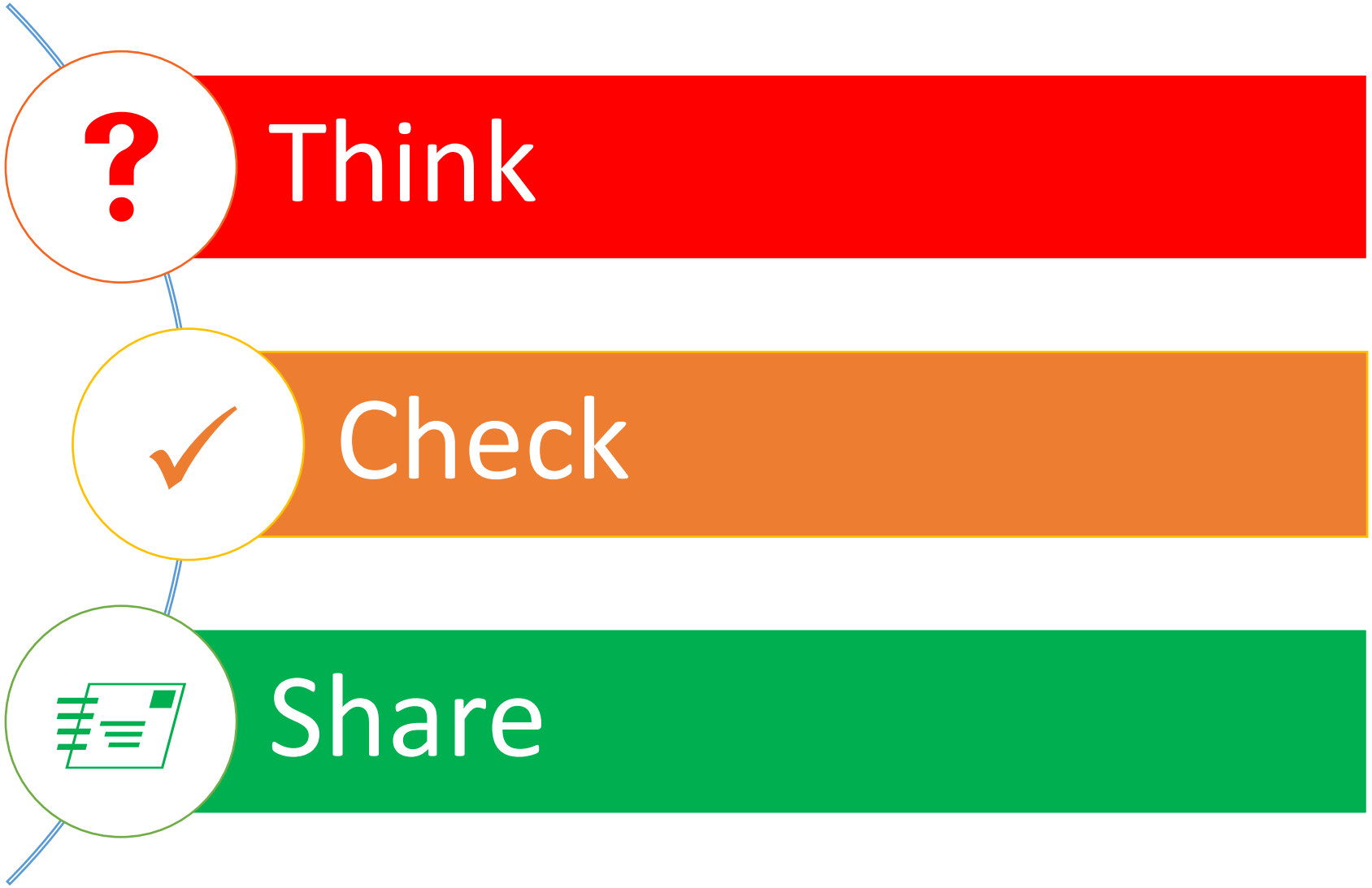
What the CUSC requires…

8.16.8 Subject to Paragraphs 8.8.6, 8.29 and 8.17B, where the **CUSC Modification Proposal** is received more than 10 (ten) **Business Days** prior to the next **CUSC Modifications Panel** meeting, the **Panel Secretary** shall place the **CUSC Modification Proposal** on the agenda of the next **CUSC Modifications Panel** meeting and otherwise shall place it on the agenda of the next succeeding **CUSC Modifications Panel** meeting.

8.8.4 Any meeting of the **CUSC Modifications Panel** shall be convened by the **Panel Secretary** by notice (which will be given by electronic mail if the relevant details are supplied to the **Panel Secretary**) to each **Panel Member** (and to the **Authority**):

a) setting out the date, time and place of the meeting and (unless the **CUSC Modifications Panel** has otherwise decided) given at least five (5) **Business Days** before the date of the meeting;

b) accompanied by an agenda of the matters for consideration at the meeting and any supporting papers available to the **Panel Secretary** at the time the notice is given (and the **Panel Secretary** shall circulate to **Panel Members** any late papers as and when they are received by them).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CUSC proposal form v6

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ESO

CMPXXX
Submitted: DD MONTH YEAR

CUSC Modification Proposal Form

CMPXXX: [Insert modification title]

Overview: [Insert a summary of the modification. This should be short and clearly identify the topic the modification relates to. This should not be any longer than the timetable section.]

Modification process & timetable

1. **Proposal Form**
   25 November 2022
2. **Workgroup Consultation**
   25 November 2022 - 25 November 2022
3. **Workgroup Report**
   25 November 2022
4. **Code Administrator Consultation**
   25 November 2022 - 25 November 2022
5. **Draft Final Modification Report**
   25 November 2022

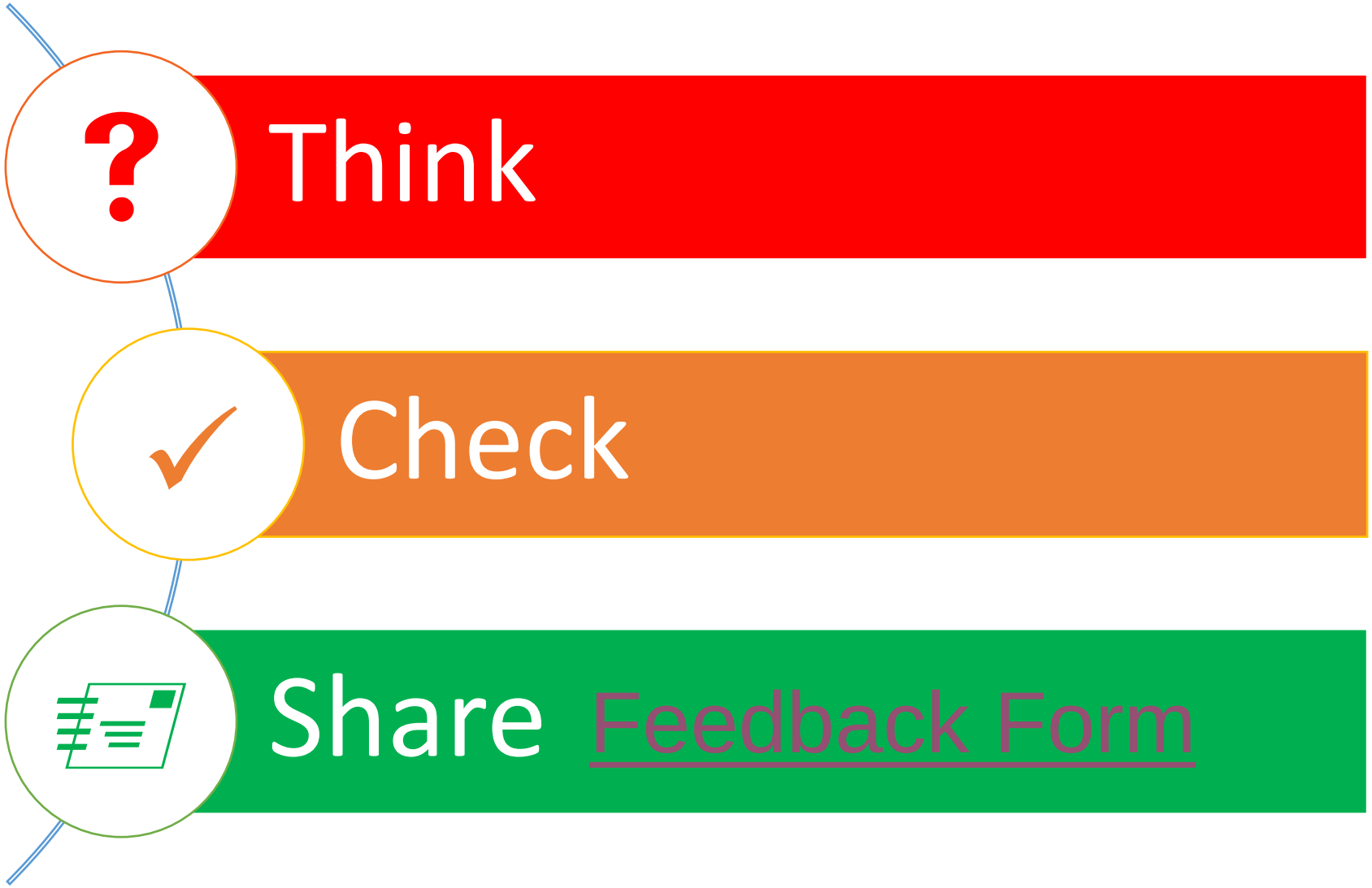
What the CUSC requires…

8.16.4 A **CUSC Modification Proposal** shall be submitted in writing to the **Panel Secretary** and, subject to the provisions of Paragraph 8.16.4A below, shall contain the following information in relation to such proposal:

a) the name of the **Proposer**;
b) the name of the representative of the **Proposer** (and their alternate) who shall represent the **Proposer** in person for the purposes of this Paragraph 8.16;
c) a description (in reasonable but not excessive detail) of the issue or defect which the proposed modification seeks to address;
d) a description (in reasonable but not excessive detail) of the proposed modification and of its nature and purpose;
e) where possible, an indication of those parts of the **CUSC** which would require amendment in order to give effect to (and/or would otherwise be affected by) the proposed modification and an indication of the nature of those amendments or effects;
f) the reasons why the **Proposer** believes that the proposed modification would better facilitate achievement of the **Applicable CUSC Objectives** as compared with the current version of the **CUSC** together with background information in support thereof;
g) the reasoned opinion of the **Proposer** as to why the proposed modification should not fall within a current **Significant Code Review**, whether the proposed modification meets the **Self Governance Criteria** or whether the proposed modification should proceed along the **Standard CUSC Modification Proposal** route;
h) the reasoned opinion of the Proposer as to whether that impact is likely to be material and if so an assessment of the quantifiable impact of the proposed modification on greenhouse gas emissions, to be conducted in accordance with such current guidance on the treatment of carbon costs and evaluation of the greenhouse gas emissions as may be issued by the **Authority** from time to time;
i) where possible, an indication of the impact of the proposed modification on **Core Industry Documents** and the **STC,** and an indication of potential inconsistencies between the **CUSC Modification Proposal** and the **Capacity Market Documents** and/or the **CfD Documents;**
j) where possible, an indication of the impact of the proposed modification on relevant computer systems and processes used by **CUSC Parties**;
k) a statement to the effect that the **Proposer** acknowledges that on acceptance of the proposal for consideration by the **CUSC Modifications Panel** a **Proposer** which is not a **CUSC Party** shall grant a licence in accordance with Paragraph 8.16.9; and
l) whether or not (and to the extent) that in the **Proposer's** view the **CUSC Modification Proposal** constitutes an **EBR Amendment**

8.16.5 if a proposal fails in any material respect to provide the information in Paragraph 8.16.4 (excluding Paragraphs (e), (i) and (j) thereof), the **Panel Secretary** may, subject to Paragraphs 8.14.3(a) and 8.17A.8, reject such proposal provided that:

a) the **Panel Secretary** shall furnish the **Proposer** with the reasons for such rejection;
b) the **Panel Secretary** shall report such rejection to the **CUSC Modifications Panel** at the next **CUSC Modifications Panel** meeting, with details of the reasons;
c) if the **CUSC Modifications Panel** decides to reverse the **Panel Secretary's** decision to refuse the submission, the **Panel Secretary** shall notify the **Proposer** accordingly and the proposal shall be dealt with in accordance with this Section 8;
d) nothing in this Section 8 shall prevent a **Proposer** from submitting a revised proposal in compliance with the requirements of Paragraph 8.16.4 in respect of the same subject-matter.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