

# Headline Report – 28 June 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 Panel on [31 May 2024](#) were approved and these have been uploaded to our website.

### New Modifications

The following new Modification Proposal was presented to the Panel:

#### CMP438: Clarification of Illustrative Example of a TNUoS Demand Reconciliation

This modification is to make some minor clarifications and corrections to the Connection and Use of System Code (CUSC) paragraph 14.25, which provides an illustrative example of a Transmission Network Use of System charge (TNUoS) demand reconciliation. It does not affect users' charges.

The Panel unanimously agreed that CMP438 should follow the Self Governance route and proceed to Code Administrator Consultation.

CMP438 documentation can be found [here](#).

## New / Pending Authority Decisions

### Decisions since the last Panel

Modification	Decision	Implementation Date
<a href="#">CMP428</a> : 'User Commitment liabilities for Onshore Transmission (reinforcement) in the Holistic Network Design'	On 11 June 2024 the <a href="#">Authority approved</a> the Original solution	14 June 2024

### Awaiting Decisions

Modification	FMR submitted	Expected Decision Date
<a href="#">CMP315</a> 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and <a href="#">CMP375</a> 'Enduring Expansion Constant & Expansion Factor Review'	07/02/2024	30/09/2024
<a href="#">CMP316</a> 'TNUoS Arrangements for Co-located Generation Sites'	12/06/2024	TBC
<a href="#">CMP330 &amp; CMP374</a> 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10/08/2023	31/07/2024

<a href="#">CMP393</a> 'Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage'	17/06/2024	TBC
<a href="#">CMP396</a> 'Re-introduction Of BSUoS on Interconnector Lead Parties'	05/01/2024	TBC (Previously 31/05/2024)
<a href="#">CMP397</a> 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)'	12/06/2024	TBC
<a href="#">CMP403</a> 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14)'	11/06/2024	TBC
<a href="#">CMP404</a> 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 11)'	11/06/2024	TBC
<a href="#">CMP408</a> 'Allowing consideration of a different notice period for BSUoS tariff settings'	13/10/2023	09/09/2024
<a href="#">CMP413</a> 'Rolling 10-year wider TNUoS generation tariffs'	08/05/2024	TBC
<a href="#">CMP414</a> 'CMP330/CMP374 Consequential Modification'	10/08/2023	31/07/2024
<a href="#">CMP415</a> 'Amending the Fixed Price Period from 6 to 12 months'	13/10/2023	09/09/2024
<a href="#">CMP418</a> 'Refine the allocation of Dynamic Reactive Compensation Equipment (DRCE) costs at OFTO transfer'	08/05/2024	TBC

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 02 May 2024 and is published [here](#).

## Workgroup Meeting Hiatus and Prioritisation Stack

Following the April 2024 CUSC Panel, Panel members agreed that based on the volume of ESO and industry resource being utilised by the Urgent CUSC Modifications Workgroup meetings that all other modification Workgroup meetings should take a hiatus. As agreed, on a rolling monthly basis, the CUSC Panel will discuss the following ahead of a modification exiting the Workgroup meeting hiatus; whether resource is available, the prioritisation of the modification, and availability of Workgroup meeting materials.

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

At the June 2024 CUSC Panel it was agreed that the Workgroup meeting hiatus should continue and as such no Workgroup meetings will be arranged until further notice; the ESO have committed to do the following:

Mod Number	Title	% of Workgroup Members* on the Urgent CUSC Modifications (* with currently 50%+ attendance)	Committed Activity
CMP426	TNUoS charges for transmission circuits identified for the HND as onshore transmission	25% (2 of 8 Workgroup Members)	The ESO is completing further analysis which is anticipated to be available in mid July.
CMP402	Introduction of Anticipatory Investment (AI) principles within the User Commitment Arrangements	25% (2 of 8 Workgroup Members)	The new proposed solution has been shared with the Workgroup on 13 June 2024 for them to feedback. Currently there have been no responses.
CMP419	Generation Zoning Methodology Review	30% (4 of 13 Workgroup Members)	The Proposer has confirmed to the Workgroup and the Authority their intention to split the modification into two modifications. CMP419 to focus on offshore and a future modification to focus on the onshore elements. The Proposer will look to socialise the new modification with TCMF in July 2024.
CMP417	Extending principles of CUSC Section 15 to all Users	44% (4 of 9 Workgroup Members)	The Proposer and Connections SME are continuing to complete additional detailed worked examples and verification through a subgroup which is likely to take place by mid July 2024.
CMP423	Generation Weighted Reference Node	15% (2 of 13 Workgroup Members)	The ESO will continue with the required further analysis, develop the legal text and share the transport model with the Workgroup members that have signed the software license agreement. Monthly Proposer check ins are in place to ensure progress.
CMP288	Explicit charging arrangements for customer delays and backfeeds	33% (3 of 9 Workgroup Members)	The Workgroup Consultation Document will be finalised and circulated for Workgroup approval ahead of being published to industry.
CMP344	Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology	50% (2 of 4 Workgroup Members)	Ahead of the next Workgroup meeting there is potentially the need for Panel to approve limited workgroup membership. The Workgroup is awaiting external analysis ahead of the next Workgroup meeting. The ESO will continue to work on addressing the Send Back deficiencies in preparation for the next Workgroup meeting.
CMP328	Connections Triggering Distribution Impact Assessment	27% (3 of 11 Workgroup Members)	There are on going discussions between the <a href="#">new Proposer, the ESO and the Authority</a> on the appropriate next steps to address the Send Back deficiencies in preparation ahead of future Workgroup meetings being scheduled.
CMP432	Improve 'Locational Onshore Security Factor' for TNUoS Wider Tariffs	29% (2 of 7 Workgroup Members)	Following feedback from the May TNUoS Task Force meeting the Proposer will reach out to the ESO Network Team for clarification on how future network reinforcements are designed.

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## In flight Modifications

The next [Modification Tracker](#) will be published on 08 July 2024.

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## Workgroup Reports

No Workgroup Reports were presented to the Panel.

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## Draft Final Modification Reports

The following Draft Final Modification Report was presented to the Panel:

### **CMP424: Amendments to Scaling Factors used for Year Round TNUoS Charges**

This modification seeks to introduce a mechanism which sets a lower limit on the variable generation scaling factors used for the purpose of Year-Round Background tariff calculation. This is to address a defect in current methodology which, without any change, we expect to calculate negative scaling factors within the next few years.

The Panel has recommended unanimously that the Proposer's solution better facilitates the CUSC Applicable Objectives. The Final Modification Report will be sent to Ofgem on 09 July 2024.

CMP424 documentation can be found [here](#).

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## Key Activities ahead of next panel

Transmission Charging Methodologies Forum: 09 July 2024

Modification Proposal Deadline for July Panel: 11 July 2024

CUSC Special Panel: 12 July 2024

Papers Day: 18 July 2024

CUSC Panel: 26 July 2024

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## Questions or feedback?

**Panel Secretary:** Claire Goult, *Code Administrator*

**Panel Technical Secretary:** Stuart McLarnon, *Code Administrator*

**Email:** [cusc.team@nationalgrideso.com](mailto:cusc.team@nationalgrideso.com)

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