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CUSC Panel 2026

CUSC Panel Minutes

Meeting Number: 374

Date: 26/06/2026 **Location:** Microsoft Teams

Start: 10:00 AM **End:** 1:00 PM

Participants

Attendee	Initials	Representing
Anthony Pygram	AP	Independent Panel Chair
Catia Gomes	CG	Panel Secretary Code Administrator Representative
Ren Walker	RW	Panel Technical Secretary (Code Administrator)
Andrew Enzor	AE	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joe Colebrook	JC	Users' Panel Member
Joe Dunn	JD	Users' Panel Member Alternate
Kyran Hanks	KH	Users' Panel Member
Paul Jones	PJ	Users' Panel Member Alternate
Dan Arrowsmith	DA	NESO Panel Member
Tom Lowe	TL	Consumers' Panel Member

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Nadir Hafeez	NH	Authority Representative
Jacob Snowden	JSn	Elexon – Observer

Apologies

Attendee	Initials	Representing
Binoy Dharsi	BD	Users’ Panel Member
Lauren Jauss	LJ	Users’ Panel Member
Shane Cracknell	SC	Users’ Panel Member
James Stone	JS	Authority Representative

Presenters / Observers

Attendee	Initials	Representing
Paul Mott	PM	Proposer of CMP467 and CMP468

1. Introductions, Apologies and Declarations of Interest

1. Apologies were received from Binoy Dharsi, Lauren Jauss, Shane Cracknell and James Stone.
2. Declarations of interest were noted by the following Panel members:
 - GG as Proposer of CMP469 and CMP477. GG also declared an interest for CMP479 as he would be acting as Proposer.

2. Minutes from previous meeting

3. The meeting minutes from the CUSC Panel held on 15 May and 22 May 2026 were approved.

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3. Review of actions log

4. The CUSC Panel agreed to review the following open actions at the July CUSC Panel:
 - Action 193: Action to remain open.
 - Action 196: Action to remain open.

4. Chair's update

5. AP advised that a representative from RECCO, who has bid to become the Code Manager for the successor code, will attend the next in-person meeting. Panel members were invited to submit any questions they would like RECCO to address, either via the meeting chat or by email if they wished their questions to be submitted anonymously.

5. Authority Decisions

6. NH provided an update on modifications that have been decided upon, together with those currently awaiting their decision.

Awaiting Decisions

Decisions since the last Panel

Modification	Decision
<u>CMP470</u>: Introducing an Oversubscribed Technologies Commitment Fee	On 27 May the timeline extension was approved
<u>CMP471</u>: Interim Contract Variation Process Ahead of CMP434 Gated Application Window.	On 28 May the request for urgency was approved
<u>CMP473</u>: Clarification of contract updates required with a	On 28 May request for urgency was rejected

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Gate 2 Modification	
Offer request	

Awaiting Decisions

Modification	FMR submitted	Expected Decision Date
CMP315 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC pending update on National Pricing Reform (previously 07 February 2025)
CMP316 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	TBC (previously May 2026)
CMP330&CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10 August 2023	TBC subject to CMP414 send back
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	TBC (previously May 2026)
CMP423 'Generation-weighted Reference Node'	09 December 2025	TBC

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CMP440 'Re-introduction of Demand TNUoS locational signals by removal of the zero price floor'	10 April 2026	TBC
CMP453 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	September 2026

7. NH advised the Panel that Ofgem's recent publication on Connections Reform is expected to preclude progression of CMP414, and Ofgem therefore expects the modification to be withdrawn, with related impacts on CMP330 and CMP374 to be confirmed. Panel members discussed the appropriate withdrawal process, particularly where modifications have been sent back, and CG agreed to take an action to seek legal clarification and confirm the process. **ACTION**
8. A Panel member voiced their concern that the previous Panel update provided by the Authority had not provided sufficient clarity and that earlier engagement could have helped address questions regarding the send back/withdrawal process in advance. The Panel member advised that the CMP414 Workgroup had been aware of the expected position before the Panel and that this could have been communicated more effectively to support timely discussion. NH confirmed this feedback would be passed on internally.
9. NH stated that CMP316 and CMP397 decisions remain on hold pending the outcome of CMP344 and the CMA appeal. Panel members requested clarification on the linkage between these modifications. NH took an action to provide clarification on the linkage between CMP344 and CMP316 and CMP397, including whether the delay is due to resource constraints or substantive dependency, and give an update at the next panel meeting. **ACTION.**

6. New modifications

CMP467: Removal of outdated references in CUSC (charging)

CMP468: Removal of outdated references in CUSC (non-charging)

10. PM delivered a presentation on CMP467 and CMP478. PM explained that these modification removes outdated references in CUSC to Seven Year Statement,

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Offshore Development Information Statement and Electricity Ten Year Statement, with CMP467 amending Section 14 of the CUSC and CMP478 amending Section 11, 13 and 15 of the CUSC.

11. The Panel discussed the proposed wording, including whether references to publication frequency should be amended to 'annually'. The Proposer took an action to confirm this proposed change with legal.
12. The Panel also considered the proposed timeline and the urgency of progressing the modifications, noting Ofgem's request for changes to be in place by autumn. The Panel agreed that further clarity was needed from Ofgem on the required timing, and that the Code Administrator Consultation and legal text should be updated before being brought back to the next Panel meeting.

CMP479: Milestone 8: inclusion of OFTO construction

13. GG delivered a presentation on CMP479. GG explained that this modification proposes to amend Milestone 8 (Project Construction) in CUSC Section 16 to recognise Offshore Transmission infrastructure as construction activity for Offshore generation projects.
14. The Panel discussed whether the proposal is neutral to different build models, noting that an external build option could provide evidence that Milestone 8 has been met. Panel members also considered the timing of the modification in the context of connections reform and confirmed that the CUSC currently excludes offshore transmission infrastructure, meaning a code change is required to include OFTO construction. It was noted that the proposal is specific to offshore transmission and OFTO arrangements and would not address any wider onshore TO considerations.
15. Following discussions, the Panel unanimously agreed that CMP479 should proceed straight to Code Administrator Consultation, with the timeline and legal text to be brought back to Panel in July for approval.

7. In flight modification updates

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16. The Panel approved the new timelines for the following modifications as submitted within the Panel Papers:

- CMP456: Cost recovery for legacy plant in relation to GC0168
- CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent
- CMP471: Interim Contract Variation Process Ahead of CMP434 Gated Application Window. The timeline extension request letter was submitted to the Authority on 26 June 2026.

17. The Panel agreed to the withdrawal of the following modifications under CUSC 8.16.10(c):

- CMP466: CMP456 Consequential Charging Modification
- CMP473: Clarification of contract updates required with a Gate 2 Modification Offer
- CMP477: Facilitating Cross TO Area Connection Modifications

The next Modification Tracker will be published on 07 July 2026.

8. Workgroup Reports

18. No Workgroup Reports were presented to the Panel.

9. Draft Final Modification Reports

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

CMP417: Extending principles of CUSC Section 15 to all Users

19. CG delivered a presentation on CMP417 to the Panel. CG advised that 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.
20. The solution will be to apply the principles of User Commitment Methodology to Demand securities and liability. This includes the application of sharing factors such as the Strategic Investment Factor and Local Asset Reuse Factor. This would

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ensure that Demand Users are only liable for a proportion of the spend for assets which have a higher capability than their site alone requires.

21. CG confirmed that the Code Administrator Consultation was run from 28 April to 20 May 2026 and received 12 non-confidential responses. The key points were:
 - Consultation respondents expressed broad support for the Original Proposal over the baseline.
 - Respondents considered CMP417 would reduce barriers for demand users, improve cost reflectivity, ability to obtain finance and provide a more consistent framework.
 - Views on implementation approach were mixed, with support for early implementation balanced against concerns over timing and interaction with wider reforms.
 - Respondents highlighted potential unintended consequences, including speculative applications, increased administrative burden, and queue management impacts.
 - One respondent suggested amendments to legal text.
22. CG presented the proposed amendments to the legal text to the Panel. Panel members noted that some proposed changes appeared to be more than typographical and could affect the implementation of the modification, including the interpretation of “DC” in Appendix MM3. The Panel agreed that the changes should be referred back to the Workgroup for review, with the Workgroup’s views recorded in the Final Modification Report. Subject to Workgroup agreement, the modification would be brought back to the Special Panel on 10 July, or otherwise to the 31 July Panel. A learning point was noted that Workgroups should be made aware that lack of response to emailed requests can make it difficult for the Panel to progress matters.

CMP445: Pro-rating first year TNUoS for Generators

23. CG delivered a presentation on CMP445. CG explained that this modification seeks to amend the CUSC to ensure that Generators only pay TNUoS on a pro-rated basis from their Charging Date, during the first year of connection.
24. CG provided the Panel with an overview of the proposed solutions, which were as follows:
 - Original – The CUSC currently lacks clarity on how TNUoS charges apply in the year a Generator’s Charging Date occurs and should be amended to

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reflect pro-rating. TNUoS should only be payable from the Charging Date, aligned with Clause 5 of the BCA. This ensures charges apply only for the period a Generator has access to the Transmission System. For example, a Generator connected for 6 months should pay half the annual tariff. This approach also prevents payments or charges applying before the Charging Date.

- WACM1 – This solution enhances the baseline by applying both increases and decreases in TEC on a daily pro-rated basis, improving fairness and cost-reflectivity. It ensures Generators are only charged for periods they are connected, supporting new and retiring plant and reducing barriers. The approach also mitigates over-recovery risks in negative zones and better aligns charges with actual usage.

To reduce gaming risk, any benefit from TEC reductions within the previous 24 months must be fully repaid if reversed, with repayment spread over the remaining months of the charging year or into the following year if needed.

- WACM2 – This solution builds directly on the WACM1 solution and the Original Solution. It adopts the same daily-charging approach where TEC changes during a charging year, but additionally proposes that this approach is applied retrospectively from 1 April 2024. Other than this retroactive application, WACM2 does not differ from the WACM1 solution.

25. CG confirmed that the Code Administrator Consultation was run from 07 April to 28 April 2026 and received 9 non-confidential responses. The key points were:

- Respondents commonly cited improved alignment of TNUoS charges with actual access to and use of the Transmission System, increased cost reflectivity, and reduced distortion to competition and connection timing. Two respondents also highlighted that the proposals address situations where generators may otherwise face full-year TNUoS liability despite delays to connection outside their control.
- No legal text issues were identified. Note that some editorial changes have been made to the legal texts, including: Defined terms have been bolded, spelling errors have been corrected, and spacing was adjusted to improve readability.

26. The Panel reviewed CMP445 and discussed the wording of the legal text, including whether references should be to the “User’s Charging Date” or “the Charging Date”. It was clarified that this related to the commissioning date for a new site. Panel members noted that previous legal text comments were not material but had not been fully addressed.

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27. The Panel held their recommendation vote for CMP445. By majority, the Panel recommended that WACMI should be implemented, subject to updating the legal text references to “the Charging Date”. The Final Modification Report will be submitted to the Authority on 10 July 2026.

CMP469: GC0186 Cost Recovery mechanism for CUSC Parties

28. CG delivered a presentation on CMP469 to the Panel. CG advised that this modification proposes a one-year time extension of the codified cost recovery mechanism is required to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations.
29. CG advised the Panel that the Code Administrator Consultation was run from 27 April to 19 May 2026 and received 5 non-confidential responses and 1 confidential response, including no late responses. The key points were:
- One respondent disagreed that the proposal better facilitates the Applicable CUSC Objectives. Two respondents believed that CMP469 better facilitates Applicable CUSC Objectives (i) and (iv).
 - Four respondents supported the proposed implementation approach.
 - One respondent did not support the proposed implementation approach.
 - Respondents highlighted benefits including improved system efficiency, non-discriminatory outcomes, consumer cost deferral, and alignment with related Grid Code changes, while noting the need for timely implementation.
 - Supporters also emphasised that extending deadlines and incorporating GC0186 requirements ensures fair compensation, with sufficient implementation time.
 - No legal text issues were identified
30. The Panel held their recommendation vote for CMP469. The Panel recommended by majority that the Proposer’s solution is implemented. The Final Modification Report will be sent to Ofgem on 07 July 2026.

10. Discussion on Prioritisation

31. CG outlined the new prioritisation framework, which requires assessment of modifications against alignment with the Strategic Direction Statement (SDS), importance, and complexity, with equal weighting for each criteria and a focus on relative prioritisation.

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32. The Panel discussed the process for applying the new framework, with Ofgem clarifying that proposers of older modifications are not required to retrospectively assess their modifications. The Panel agreed that members would be assigned specific modifications to lead the rationale discussion at the next meeting.
33. The Chair asked CG to allocate three modifications to each voting member for them to provide a detailed rationale and provide this update at the July Panel meeting. The Panel agreed to use the current prioritisation stack until the new framework is fully implemented.

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

34. DA confirmed that the TCMF was held on 04 June. The meeting materials can be found via the following [link](#).

The next TCMF meeting will be held on 09 July.

12. European Updates

Joint European Stakeholder Group (JESG)

35. GG advised that the JESG meeting was held on 09 June. The meeting materials can be found via the following [link](#).

The next JESG meeting will be held on 14 July.

13. Update on other Industry Codes

36. The Panel papers and Headline Report for the following meetings can be found at the below links:
 - 19 May 2026 Grid Code Review [Panel Papers and Headline Report](#)
 - 20 May 2026 STC [Panel Papers and Headline Report](#)
 - 27 May 2026 SQSS Panel [Papers and Headline Report](#)

14. Relevant Interruptions Claim Report

37. No further updates for the Panel.

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15. Governance

38. No further updates for the Panel.

16. Horizon Scan

39. No further updates for the Panel.

17. Code Administrator Update

40. There were no updates for the Panel.

18. Any Other Business (AOB)

41. No AOB was raised by Panel members.

19. Close

42. The Chair thanked the Panel for their time and contribution and brought the meeting to a close.

The next CUSC Panel meeting will be held on 31 July at Faraday House.

New Modification Proposals to be submitted by 16 July.

CUSC Panel Papers Day is 23 July.