

CUSC Panel

Friday 31 July 2026

Faraday House

Public

WELCOME

Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the **functions** referred to in CUSC – Section 8 CUSC Modification (8.3.3)

The **Panel** shall endeavour at all time to operate:

- In an **efficient, economical and expeditious manner**, taking account of the complexity, importance and urgency of particular CUSC Modification Proposals; and
- With a view to ensuring that the CUSC facilitates **achievement of the Applicable CUSC Objectives**.

Duties of Panel Members & Alternates (8.3.4)

1. Shall act **impartially** and in accordance with the requirements of the **CUSC**; and
2. Shall not have any **conflicts of interest**.

Shall not be representative of, and shall act without undue regard to the particular interests of the persons or body of persons by whom he/she was appointed as Panel Member and any Related Person from time to time.

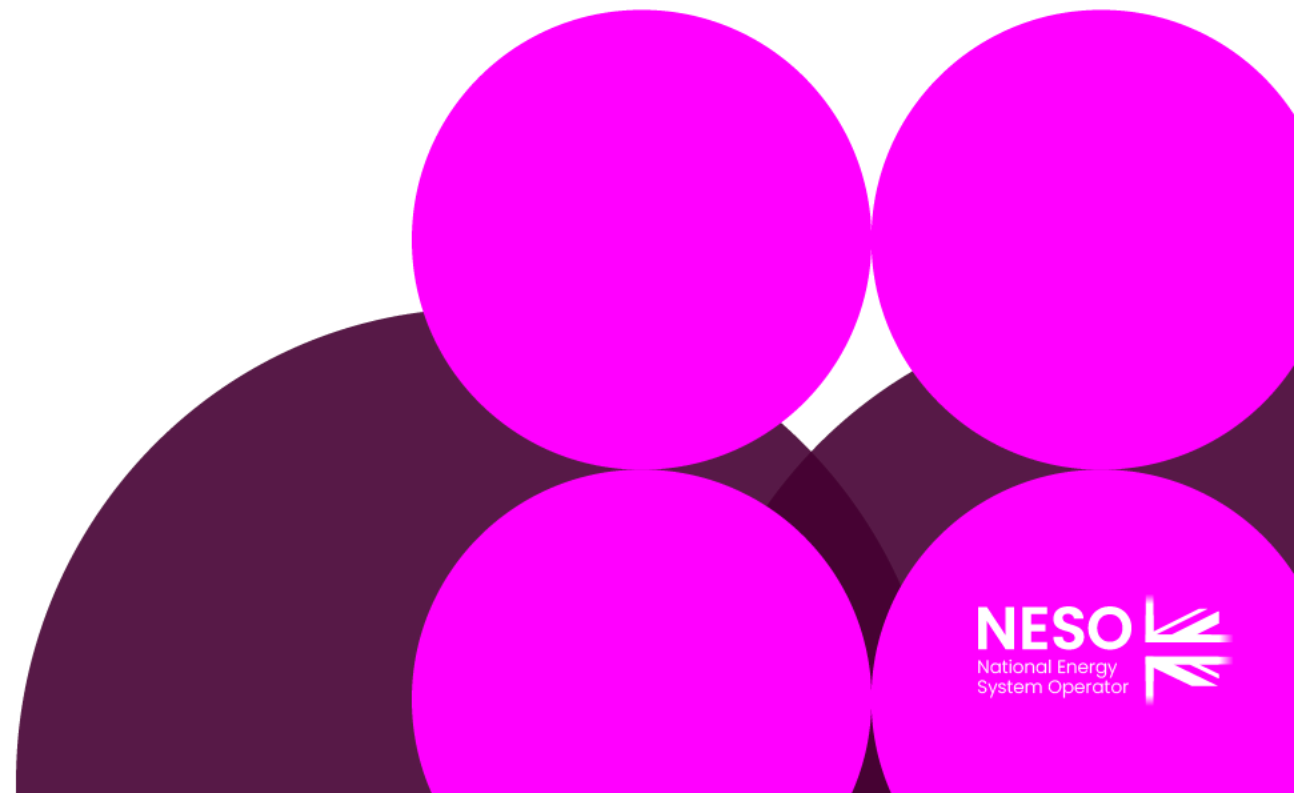
Approval of Panel Minutes

Approval of Panel Minutes from the meeting held on 19
Juen and 26 June 2026

Action Log

Review of Action Log

Chair's Update



Authority Decisions and Update (as at 23 July 2026)

Decisions Pending

Modification	Final Modification Report Received	Expected Decision Date
<u>CMP315</u> 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and <u>CMP375</u> 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC pending update on National Pricing Reform (previously 07 February 2025)
<u>CMP316</u> 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	May 2026 (previously March 2026)
<u>CMP330&CMP374</u> '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
<u>CMP397</u> 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	May 2026 (previously March 2026)
<u>CMP423</u> 'Generation-weighted Reference Node'	09 December 2025	TBC
<u>CMP440</u> 'Re-introduction of Demand TNUoS locational signals by removal of the zero price floor'	10 April 2026	TBC
<u>CMP453</u> 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	September 2026
<u>CMP469</u> 'GC0186 Cost Recovery mechanism for CUSC Parties'	07 July 2026	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>

Authority Decisions and Update (as at 23 July 2026)

Received Final Modification Reports since last Panel Meeting

Modification	Final Modification Report Received	Expected Decision Date
<u>CMP417</u> 'Extending principles of CUSC Section 15 to all Users'	20 July 2026	TBC
<u>CMP445</u> 'Pro-rating first year TNUoS for Generators'	10 July 2026	TBC
<u>CMP469</u> 'GC0186 Cost Recovery mechanism for CUSC Parties'	07 July 2026	TBC
<u>CMP474</u> 'Fixed BSUoS Price Revision Mechanism'	10 July 2026	TBC
<u>CMP475</u> 'Amendment to the BSUoS tariff reset process'	10 July 2026	TBC

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Inflight Modification Updates

- CMP460: Improving Transmission Connection Asset Charging

CMP460 – Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline (agreed at May 2026 CUSC Panel)	17 September 2026	19 November 2026	8 December 2026	September 2027	01 April 2028
New timeline	January 2027 (TBD)	March 2027 (TBD)	April 2027 (TBD)	September 2027	01 April 2028

Rationale: Workgroups are expected to restart in early September 2026 following a pause from April 2026. Five Workgroup meetings remain, including three additional meetings to resolve outstanding Legal Text issues, implementation questions, and Alternative Proposal discussions. Post-Workgroup milestones remain indicative and will be confirmed once the 2027 CUSC Panel dates are available.

Workgroups Remaining: 5, including 3 additional Workgroups

CMP460– the asks of Panel

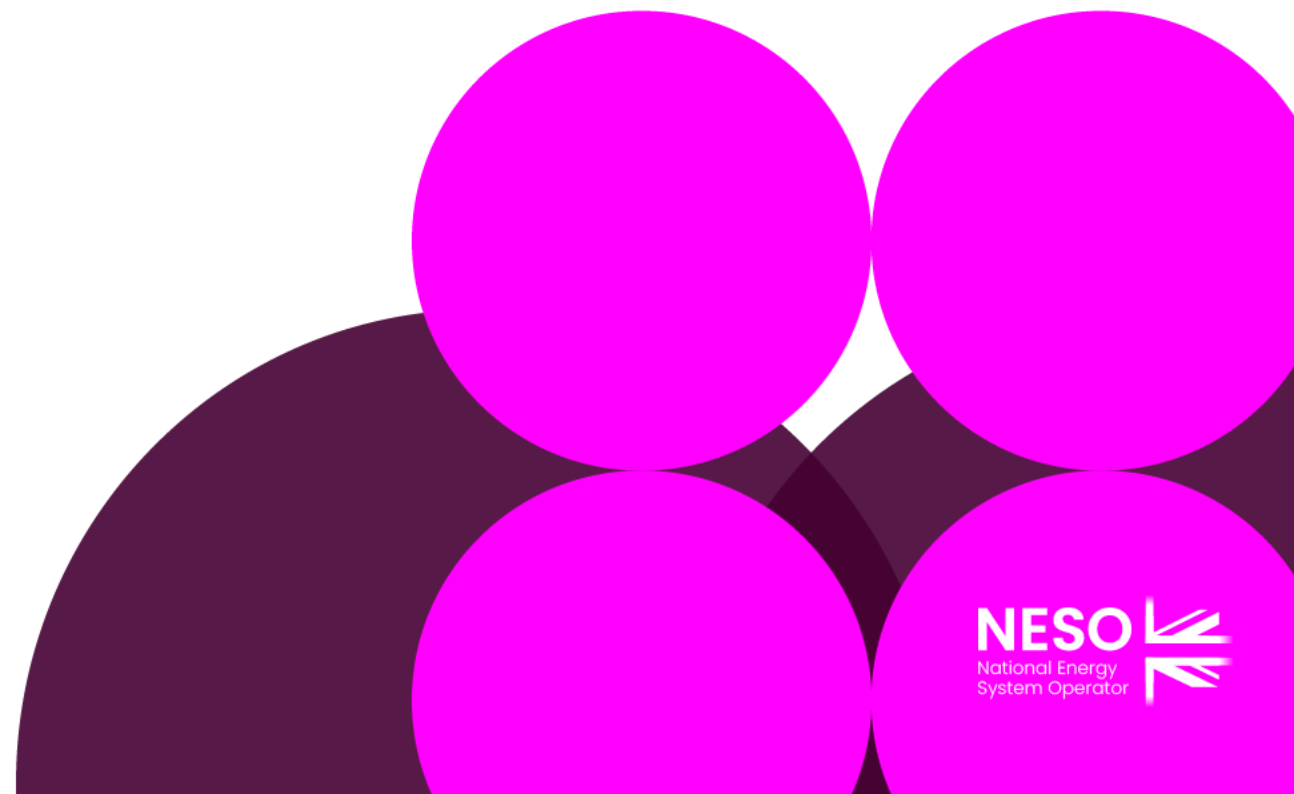
- **AGREE** revised timeline

CMP460 Objectives and Timeline as at 31 July 2026

Timeline	Workgroups	Objectives
Workgroup 1	13 November 2025	Review Proposal
Workgroup 2	03 December 2025	
Workgroup 3	17 December 2025	
Workgroup 4	08 January 2026	
Workgroup 5	15 January 2026	
Workgroup 6	22 January 2026	Finalise Workgroup Consultation
Workgroup Consultation	27 January 2026 – 18 February 2026	
Workgroup 7	04 March 2026	Review Consultation feedback
Workgroup 8	18 March 2026	
Workgroup 9	31 March 2026	
Workgroup 10	16 April 2026	
Workgroup 11	Early September 2026 (TBD)	Establish current position, reconfirm scope, and plan future workload
Workgroup 12	Late September 2026 (TBD)	
Workgroup 13	October 2026 (TBD)	
Workgroup 14	November 2026 (TBD)	Finalise Workgroup Report
Workgroup 15	December 2026 (TBD)	Agree ToR met /Workgroup Vote
Workgroup Report to Panel	Early/mid January 2027 (TBD)	Panel sign off ToR
Post Workgroups		
Code Administrator Consultation	Late January 2027 – Mid February 2027 (TBD)	
Draft Final Modification Report to Panel	March 2027 (TBD)	
Final Modification Report to Ofgem	April 2027 (TBD)	
Implementation Date	01 April 2028	

Panel Modification Tracker

Catia Gomes, Code
Administrator



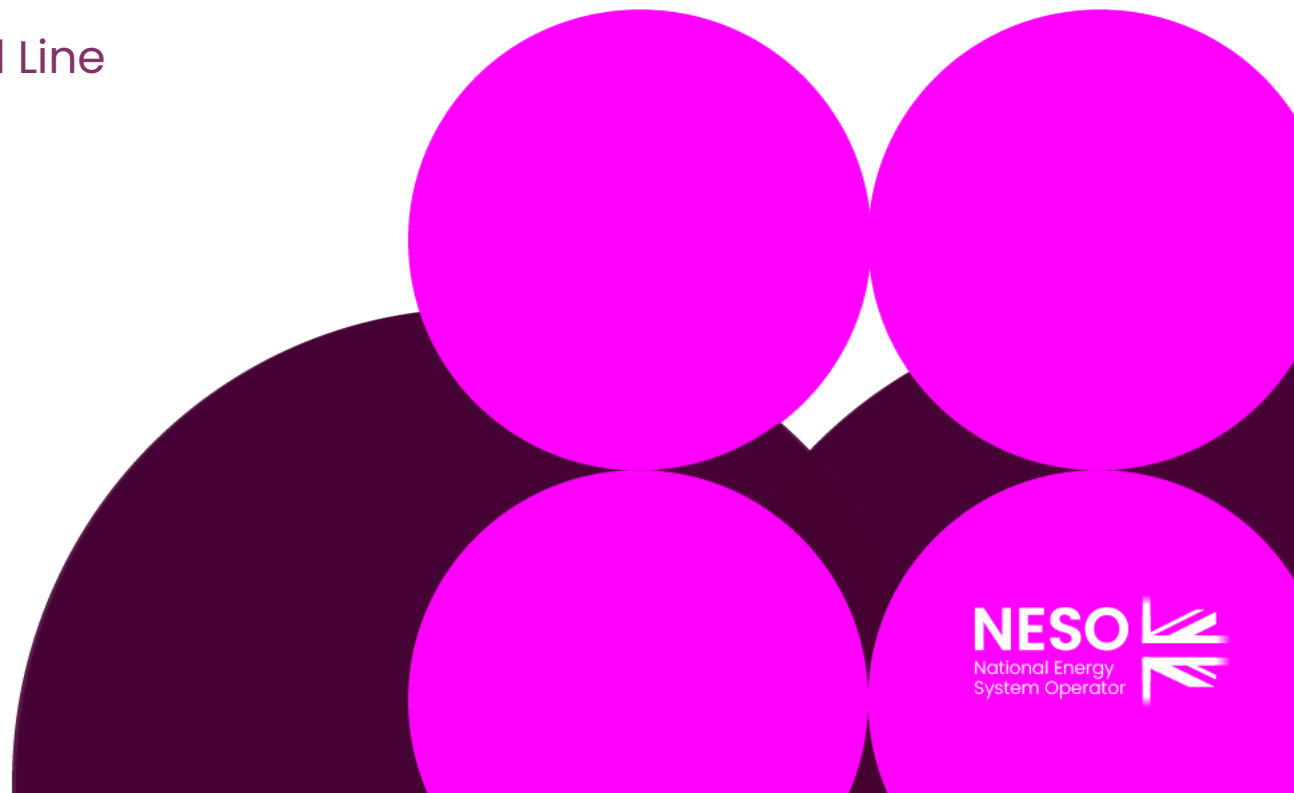
Draft Final Modification Reports

- **CMP472:** Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent
- **CMP476:** Correction to Section 15 of the CUSC

Draft Final Modification Report

CMP472: Large Embedded Generators Original Red Line
Boundary Sharing Without Customer Consent

Catia Gomes, Panel Secretary



Solution

Solution:

CMP472 seeks to introduce a new clause in Section 17 of the Connection and Use of System Code (CUSC) to permit the National Energy System Operator (NESO) to share the Original Red Line Boundary (ORLB) submitted by Large Embedded Generators (LEGs) with the relevant Distribution Network Operators (DNOs) without requiring explicit customer consent.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 27/04/2026 to 19/05/2026 and received 09 non-confidential. Key points were:

- All nine respondents believe CMP472 better facilitates CUSC Objective (iv), with varying support for Objectives (i), (ii) and (iii). All respondents support the proposed implementation approach.
- Respondents agree that the modification enables more efficient and accurate delivery of Connections Reform, reducing administrative burden for NESO and DNOs.
- Respondents agree that sharing Original/Red Line Boundary (ORLB/RLB) data is critical for Gate 2 compliance, early validation, and consistency across transmission and distribution networks.
- Respondents see CMP472 as improving queue management by identifying and removing ineligible or non-compliant projects earlier, reducing unnecessary costs and design work.
- Agreement that data sharing is appropriate under existing arrangements, with safeguards in place; most support sharing without requiring additional customer consent. Viewed as supporting cost efficiency by avoiding unnecessary network build and improving system coordination.
- Multiple respondents recommend clearer implementation detail, including defined SLAs (typically ~5 working days) for data sharing and use of accessible PDF formats rather than alternative file types. Additional suggestions include mandating inclusion of Point of Supply within ORLB, clarifying treatment of non-gated applications, and ensuring applicants are informed of data sharing.
- Legal Text issues raised

Proposer response to CAC consultation of CMP 472: Large Embedded Generators (LEGs) Original Red Line Boundary (ORLB) Sharing Without Customer Consent

Feedback summary: Theme	ORLB file sharing timescale	Define the sharing timescale via Service Level Agreement	Can customers submit a new/updated ORLB alongside non-gated modification application	ORLB file format	Inclusion of Point of Supply in ORLB file
Proposer response	To add a new line (in <i>red italic</i>) in the proposed legal texts: CUSC 17.7.3.3 The Original Red Line Boundary submitted by a Large Embedded Power Station as part of a Gate 2 Application or Gated Modification Application shall be shared by the Company with the relevant Distribution Network Operator for the purpose of verifying continued compliance with Distribution system connection requirements. <i>NESO will endeavour to share ORLB data with the relevant DNO as soon as reasonably practicable.</i>	A solution is currently being developed and will be communicated to, and agreed with, DNOs in due course, ahead of the next Connections Application Window and as part of WSlb discussions.	• ORLB amends will form part of the Gated Mod app process • On-going compliance of an RLB is part of existing compliance processes between either DNOs and Embedded Generator or between NESO and Directly Connected	Information is already covered in NESO ORLB guidance	
Action timeline	By August 11 (final modification report publication)	Before the next connections application window opens	n/a	ORLB guidance publication (scheduled to be September 2026)	

Code Administrator Consultation – Legal Text Changes.

What do the CUSC Governance Rules say?

- 8.23.4 A draft of the **CUSC Modification Report** shall be tabled at the **Panel Meeting** prior to submission of that **CUSC Modification Report** to the **Authority** as set in accordance with the timetable established pursuant to Paragraph 8.19.1 at which the Panel may consider any minor changes to the legal drafting, which may include any issues identified through the **Code Administrator's** consultation and:
- (i) if the change required is a typographical error the **CUSC Modifications Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**; or
 - (ii) if the change required is not considered to be a typographical error then the **CUSC Modifications Panel** may direct the **Workgroup** to review the change. If the **Workgroup** unanimously agree that the change is minor the **CUSC Modifications Panel** may instruct the **Code Administrator** to make the appropriate change and the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote** otherwise the **Code Administrator** shall issue the **CUSC Modification Proposal** for further **Code Administrator** consultation after which the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.
 - (iii) if a change is not required after consideration, the **Panel Chairman** will undertake the **CUSC Modifications Panel Recommendation Vote**.

Code Admin must present the proposed legal text changes

Panel have 3 choices:

- **Agree the changes are typographical and instruct Code Admin to make the change under 8.23.4(i). Then we carry out Recommendation Vote; or**
- **Agree the changes are not needed under 8.23.4(iii). Then we carry out Recommendation Vote; or**
- **Under 8.23.4(ii) Direct the Workgroup to review the changes or ask for a further Code Administrator Consultation to be issued**

CMP472 Asks of Panel

- **AGREE** whether or not the proposed changes to the legal text are typographical
- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation
- **NOTE** next steps

CMP472 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	03 August 2026
Submission of Final Modification Report to Ofgem	11 August 2026
Ofgem decision date	TBC
Implementation Date	10 Business Days after Authority Decision

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

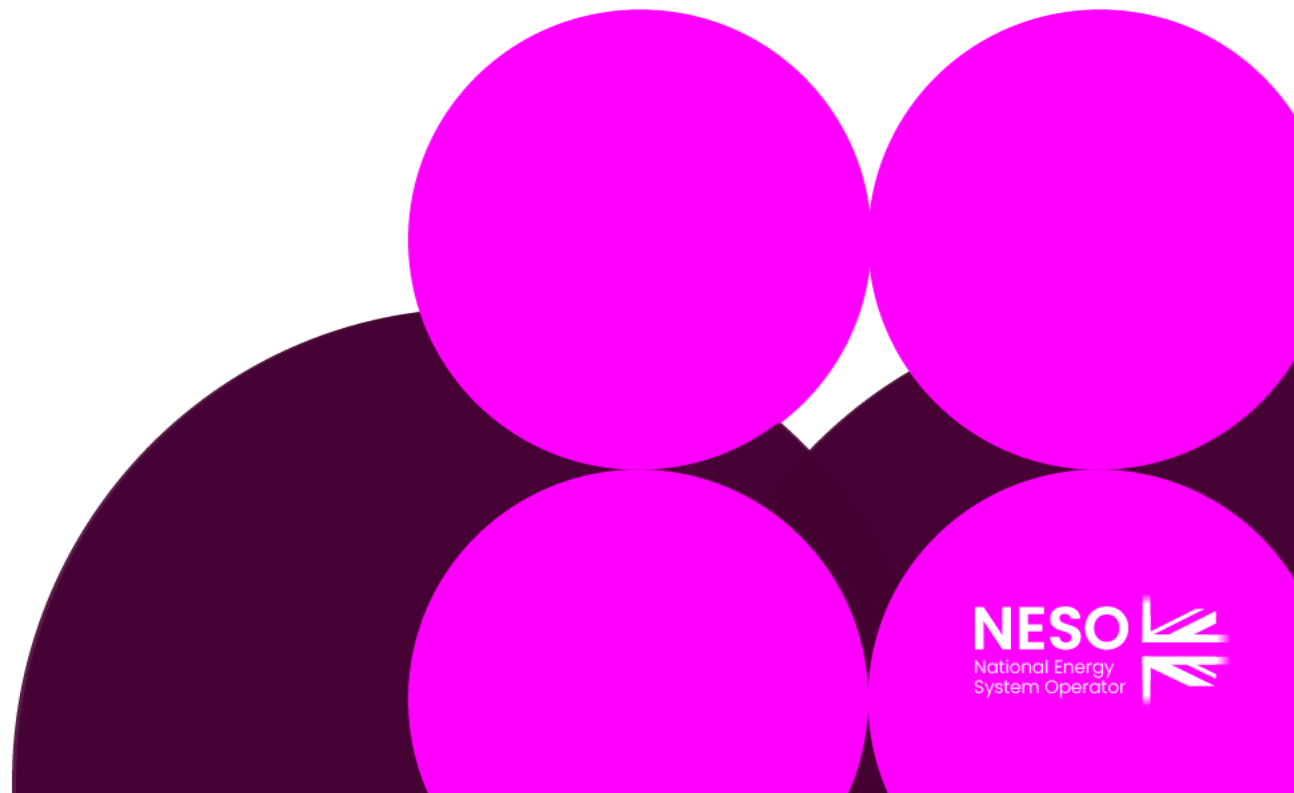
This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
6. facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
7. facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.

Draft Final Modification Report

CMP476: Correction to Section 15 of the
CUSC

Catia Gomes, Panel Secretary



Solution

Solution:

This modification corrects an unintended inconsistency in how the Global Asset Re-Use Factor is described in Section 15 of the CUSC compared how it is described in associated documents and applied in practice.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 27 May to 17 June 2026 and received 02 non-confidential responses. Key points were:

- One respondent believes that CMP476 Original Proposal better facilitates the CUSC Applicable Objectives. One respondent disagrees that CMP476 Original Proposal better facilitates the CUSC Applicable Objectives.
- One respondent was supportive of the proposed implementation approach. One respondent was not support of the proposed implementation approach.
- Legal text issues raised in the Consultation. One respondent provided the following comments on the legal text:
- The Global Asset Reuse Factor (GARF) and User Risk Factor (URF) are percentages used to calculate reductions by multiplying them with the Attributable Works Capital Cost (AWCC), as indicated in the current wording. The proposed wording is ambiguous, suggesting subtraction rather than multiplication, which is incorrect due to unit differences.
- Further clarity is needed regarding the proposal to add "on average" to the GARF definition—uncertainty exists about whether this changes the calculation method materially.
- The consultation document references "User Reduction Factor," but based on legal text, this should be "User Risk Factor".

Legal text issues raised

- Reminder – The Global Asset Re-use Factor (GARF) is set at 33%, being a factor used to dilute the cost of wider works in calculating wider cancellation charge amounts, introduced under CMP192. Another diluting factor (50%) is the user risk factor. In the CMP192 FMR that introduced it, the word average is used twice when describing it.
- The CMP192 Final Modification Report states that *“The GARF is 33% and represents the transmission assets which a TO could potentially reuse on another project”*. This is reiterated in the wider annual cancellation charge statement: GARF *“represents the percentage of the wider transmission assets which a TO could potentially reuse on another project”*.
- In the legal text as submitted to May Panel and used as basis of CAC, in section 15 I added a localised definition of GARF, thus :

“Where the Global Asset Reuse Factor for a given Financial Year is the percentage of the wider transmission assets which, on average, a Transmission Owner could potentially reuse on another project, as set out in the Annual Wider Cancellation Charge Statement”.

¹ The CMP192 Guidance is available at the following address: <https://www.neso.energy/document/46251/download>

CAC Response and legal text issue

- SP's CAC response argued that "average" is a poor choice of word, and that it would have been better to have omitted it and only used the word "potentially" as used in the CMP192 FMR and reiterated in each year's wider annual cancellation charge statement: (= GARF *"represents the percentage of the wider transmission assets which a TO could potentially reuse on another project"*)
- Whilst GARF is a global average (as calculated in 2013 for the workgroup), it's not an average that is recalculated annually, so I can see that the word "average" does have a (slight) potential to mislead if a reader believed it to be regularly recalculated as a new or updated average. I propose to take this feedback on board, and change the legal text to that shown below, deleting the words "on average" from the legal text:

*"Where the **Global Asset Reuse Factor** for a given **Financial Year** is the percentage of the wider transmission assets which, ~~on average~~, a Transmission owner could potentially reuse on another project, as set out in the **Annual Wider Cancellation Charge Statement**."*

¹ The CMP192 Guidance is available at the following address: <https://www.neso.energy/document/46251/download>

Code Administrator Consultation – Legal Text Changes.

What do the CUSC Governance Rules say?

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- **Under 8.23.4(ii) Direct the Workgroup to review the changes or ask for a further Code Administrator Consultation to be issued**

CMP476 Asks of Panel

- **AGREE** whether or not the proposed changes to the legal text are typographical
- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to implement
- **NOTE** next steps

CMP476 Next Steps

Milestone	Date
Final Self Governance Modification Report issued to Panel to check votes recorded correctly (5 business days)	03 August 2026
Appeals Window (15 Business Days)	11 August 2026 to 5pm on 02 September 2026
Implementation Date (5 Business Days after closure of Appeals Window)	09 September 2026

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

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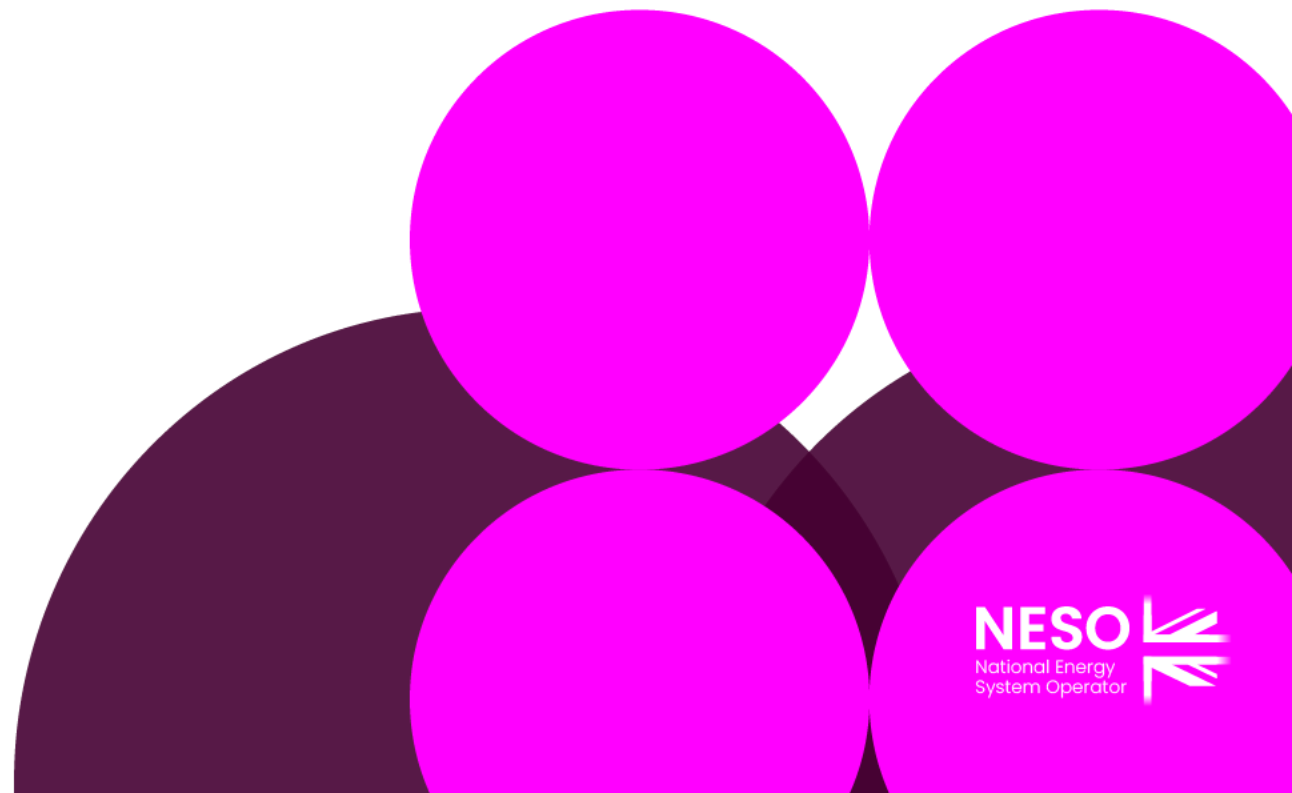
Discussions on Prioritisation

- **AGREE** any movements in the current prioritisation stack and CARRY OUT deep-dive assessment of all

RECCo Update

Helen Adey, RECCo

Kirsty Ingham, RECCo



Standing Groups

Updates on all standing groups relevant to CUSC Panel e.g. potential for future governance changes or modifications

TCMF – NESO Panel Member

- Previous meeting – 09 July 2026 [Meeting materials and Headline Report](#)
- Next meeting – 06 August 2026

European Updates

Updates on all European developments relevant to CUSC panel e.g. potential for future governance changes or modifications

- Joint European Stakeholder Group – Garth Graham
 - Previous meeting – 14 July 2026 [Meeting materials and Headline Report](#)
 - Next meeting – 11 August 2026

Updates on other industry codes

24 June 2026 STC [Panel Papers and Headline Report](#)

25 June 2026 Grid Code Review [Panel Papers and Headline Report](#)

Relevant Interruptions Claim Report

(January, April, July, October)

Any other business

- Panel Dates 2027
- Utility Week publication
- CMP470 minded to consultation

Activities ahead of the next Panel Meeting

Transmission Charging Methodologies Forum	06 August 2026
Modification Proposal Deadline for August Panel	13 August 2026
Papers Day	20 August 2026
Panel Meeting	28 August 2026 Teams

Close

Anthony Pygram

Independent Chair, CUSC Panel