

# CUSC Panel

**Friday 17 December 2021**

**Online Meeting via Teams**

# WELCOME



nationalgridESO



# Approval of Panel Minutes

Approval of Panel Minutes from the  
Meeting held 26 November 2021



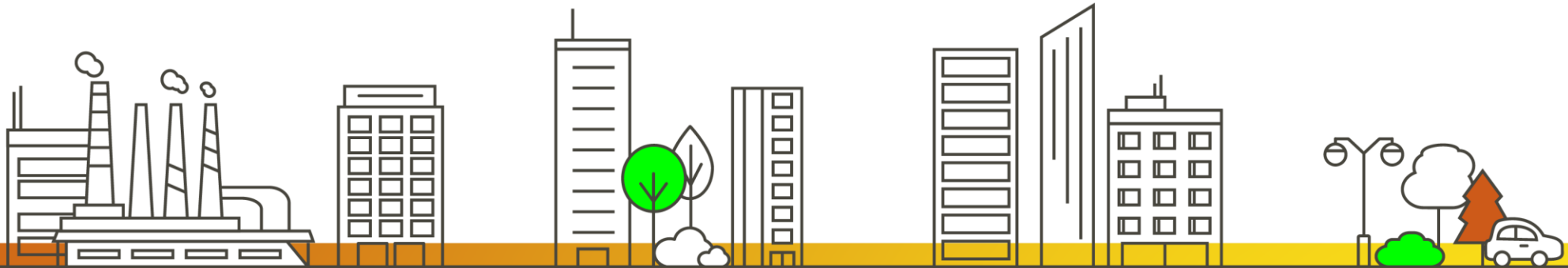
# Actions Log

## Review of the actions log



# Chair's Update

**An update from the Chair about ongoing relevant work, discussions etc.**



# Authority Decisions (as at 9 December 2021)



## Decisions Received since last Panel meeting

- ☐ None

## Decisions Pending

- ☐ CMP335/336 and CMP343/340 (expected final decision date for CMP343, CMP340, CMP335 and CMP336 Modifications was 27 August 2021; however, Ofgem confirmed at CUSC Panel on 27 August 2021 that this date would not be met. At CUSC Panel on 26 November 2021, Ofgem confirmed they have no firm date for a decision).
- ☐ CMP371 (decision was anticipated 29 September 2021 and then 19 November 2021; however this date has now passed and we are seeking clarity from Ofgem on new anticipated decision date. No update on new anticipated decision date provided at November 2021 Panel).
- ☐ CMP292 (decision was expected 30 September 2021 but now TBC in 2021 as Ofgem consider this to be low priority).
- ☐ CMP308 (Final Modification Report was sent to Ofgem on 23 September 2021 and at CUSC Panel on 29 October 2021, Ofgem advised that they soon intend to consult on a minded-to position but cannot confirm yet when this will be issued. Ofgem reaffirmed this at CUSC Panel on 26 November 2021 but added that it will be issued "soon". On 8 December 2021, Ofgem advised that they are consulting on their minded-to decision on CMP308. Ofgem are minded-to approve the CMP308 Original Proposal, which would move BSUoS charges fully onto demand, with effect from 1 April 2023 and have launched the consultation to gather industry views).

# Authority Decisions (as at 9 December 2021)



## Decisions Pending

- ❑ **CMP368/369** (Final Modification Report was sent to Ofgem 23 September 2021 seeking decision on or before 28 October 2021. At CUSC Panel on 29 October 2021, Ofgem noted that their decision will follow the outcome of the current judicial review re: the CMA's decision of 30 March 2021 to dismiss the appeal against decisions by Ofgem on CMP317/327). On 24 November 2021, Ofgem sent a letter (which was sent to Panel Members, industry and published on 25 November 2021). This formally confirms that Ofgem intend to wait until judgment has been issued in the Judicial Review before reaching a decision in respect of CMP368 and CMP369, even if judgment is not available before the end of the calendar year).
- ❑ **CMP377** (Final Modification Report received 6 October 2021, decision expected TBC in 2021). No update on anticipated decision date provided at November 2021 Panel).
- ❑ **CMP328** (Final Modification Report received 10 November 2021 and Ofgem confirmed at November 2021 Panel that no decision would be made on this until they have received the equivalent STC Modification).

## Received Final Modification Reports since last Panel Meeting

- ❑ **None**

# New modifications submitted

None this month







# In Flight Modification Updates

**Review of all CUSC Modifications with  
current status, next steps and any Panel  
recommendations**

# Dashboard – CUSC (as at 9 December 2021)

Category	Jul	Aug	Sep	Oct	Nov	Dec
New Modifications	2	1	1	0	1	0
In-flight Modifications (includes those on hold but not New Modifications)	43	44	44	42	40	41
Modifications issued for Workgroup consultation	0	1 <i>(CMP298)</i>	1 <i>(CMP361/362)</i>	0	0	0 <i>(CMP330/374 on 10 Dec)</i>
Modifications issued for Code Administrator Consultation	1 <i>(CMP370 on 13 Jul)</i>	3 <i>(CMP308 , CMP377), CMP368/369)</i>	1 <i>(CMP328)</i>	0	0	2 <i>(CMP380, CMP361/362)</i>
Workgroups held	9	6	8	6	10	4 <i>(Note that there will be 7 as CMP376 on 13 Dec, CMP304 on 15 Dec and CMP330/374 on 16 Dec)</i>
Authority Decisions	2 <i>(CMP300 and CMP365)</i>	1 <i>(CMP326)</i>	1 <i>(CMP370)</i>	1 <i>(CMP378)</i>	0	0
Implementations	1 <i>(CMP365)</i>	1 <i>(CMP372)</i>	0	3 <i>(CMP373, CMP370 and CMP378)</i>	0	0
Modifications Withdrawn	0	0	0	0	2 <i>(CMP358 and CMP359)</i>	0
Modifications on Hold	3 <i>(CMP271, 276, 305)</i>	3 <i>(CMP271, 276, 305)</i>	3 <i>(CMP271, 276, 305)</i>	3 <i>(CMP271, 276, 305)</i>	3 <i>(CMP271, 276, 305)</i>	3 <i>(CMP271, 276, 305)</i>
Workgroups postponed	0	0	0	0	0	0

# In flight Modifications – the asks of Panel - Timelines

## CMP375 / CMP315

At October 2021 Panel, a Panel Member proposed moving the priority from “High” to “Medium” on the basis that this may be better progressed as part of a broader review of TNUoS and Ofgem have launched a Call for Evidence on this (1 October 2021 to 12 November 2021). Other Panel Members, noted that as this is just at the Call for Evidence stage, it would be more appropriate to revisit priority at January 2022 Panel. However, Panel did agree that this does not need to be progressed at current pace but the pace needs to be in line with that for other “High” priority Modifications. At Workgroup on 15 November 2021, the Workgroup agreed the need for 2 more meetings before the Workgroup Consultation is issued and therefore the timeline will be delayed. December 2021 Panel will be asked to **AGREE** that the Workgroup Report is presented to May 2022 Panel rather than February 2022 Panel.

## CMP316

Original plan was to issue the Workgroup Consultation on 13 December 2021; however, Workgroup agreed that 1 more Workgroup to clarify the solution would be required ahead of the Workgroup Consultation (which is now planned to be issued on 17 January 2022) and therefore December 2021 Panel will be asked to **AGREE** that the Workgroup Report is presented to April 2022 Panel rather than March 2022 Panel

# CMP375 (and CMP315) Proposed Timeline as at 8 December 2021

Milestone	Date	Milestone	Date
Modification presented to Panel	25 June 2021	CMP375/CMP315 Workgroup 9	9 May 2022
Workgroup Nominations (15 Working days)	1 July 2021– 5pm on 22 July 2021	Workgroup report issued to Panel	19 May 2022
CMP375/CMP315 Workgroup 1	10 August 2021	Workgroup report presented to Panel	27 May 2022
CMP375/CMP315 Workgroups 2 and 3	1 and 13 September 2021	Code Administrator Consultation (15 working days)	3 – 24 June 2022
CMP375/CMP315 Workgroup 4	15 November 2021	Draft Final Modification Report (DFMR) issued to Panel	21 July 2022
CMP375/CMP315 Workgroup 5	12 January 2022	Panel undertake DFMR recommendation vote	29 July 2022
CMP375/CMP315 Workgroup 6	9 February 2022	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	2 August 2022
CMP375/CMP315 Workgroup Consultation (15 working days)	21 February – 14 March 2022	Final Modification Report issued to Ofgem	10 August 2022
CMP375/CMP315 Workgroup 7	29 March 2022	Implementation	1 April 2023
CMP375/CMP315 Workgroup 8	26 April 2022	<b>NOTE: 3 previous Workgroups for CMP315</b>	



# Timeline for CMP316 as at 8 December 2021

Milestone	Date	Milestone	Date
Workgroups 1 to 5	Already held – Workgroup 5 was 6 December 2021	Code Administrator Consultation (15 Working Days)	10 May 2022 to 30 May 2022
Workgroup 6 – Review Workgroup Consultation document	5 January 2022 (10–1pm)	Draft Final Modification Report (DFMR) issued to Panel	16 June 2022
Workgroup Consultation (15 Working Days)	17 January 2022 to 4 February 2022	Panel undertake DFMR recommendation vote	24 June 2022
Workgroup 7 – Review consultation responses	15 February 2022	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	28 June 2022
Workgroup 8 - Review any changes required to solutions, hold WACM Vote (if required)	3 March 2022	Final Modification Report issued to Ofgem	6 July 2022
Workgroup 9 - Finalise Workgroup Report, Legal text and hold Workgroup Vote	22 March 2022	Ofgem decision	TBC
Workgroup report issued to Panel	21 April 2022	Implementation Date	1 April 2023
Panel sign off that Workgroup Report has met its Terms of Reference	29 April 2022		

# In flight Modifications – the asks of Panel - Timelines

## CMP376

Workgroups commenced on 28 October 2021 and prior to next meeting further clarity was needed on scope, the legal status of the ENA Queue Management Policy and whether or not DCUSA changes are needed. This next meeting was scheduled for 17 November 2021 but was cancelled due to these outstanding matters. The further clarity was provided to the Workgroup on 18 November 2021 but there are changes to the timeline (as we need to essentially repeat the 1st Workgroup on 13 December 2021) and an additional Workgroup has now been included post Workgroup Consultation given the expectation of Workgroup Alternatives. Therefore December 2021 Panel will be asked to **AGREE** that the Workgroup Report is presented to April 2022 Panel rather than February 2022 Panel

## CMP304

Workgroups recommenced from 8 November 2021 with next Workgroup scheduled for 15 December 2021. The next Workgroup was originally scheduled for 1 December 2021; however the Proposer had another meeting, which took precedence. It is also felt prudent to include an additional Workgroup prior to the Workgroup Consultation being issued. Therefore, December 2021 Panel will be asked to **AGREE** that the Workgroup Report is presented to March 2022 Panel rather than February 2022 Panel.

# Timeline for CMP376 V2 as at 18 November 2021

Milestone	Date	Milestone	Date
Workgroup Nominations (15 working days)	Closed	Panel sign off that Workgroup Report has met its Terms of Reference	29 April 2022
Workgroup 1 - Understand proposal and solution, note the scope and identify any possible alternative solutions, agree timeline, agree and review terms of reference, agree next steps	28 October 2021	Code Administrator Consultation (15 Working Days)	6 May 2022 to 5pm on 27 May 2022
Workgroup 2 - Following Panel, Ofgem and Open Networks views, understand proposal and solution, note the scope and identify any possible alternative solutions, agree timeline, agree and review terms of reference, agree next steps	13 December 2021	Draft Final Modification Report (DFMR) issued to Panel (5 working days)	16 June 2022
Workgroup 3 - Review solution(s) and Legal Text, finalise Workgroup consultation (including agreeing Workgroup Consultation questions)	11 January 2022	Panel undertake DFMR recommendation vote	24 June 2022
Workgroup Consultation (15 Working Days)	25 January 2022 to 5pm on 15 February 2022	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	28 June 2022
Workgroup 4 and 5 - Assess Workgroup Consultation Responses, further review of Original and alternatives (including legal text) and carry out Alternative Vote	28 February 2022 and 23 March 2022	Final Modification Report issued to Ofgem	6 July 2022
Workgroup 6 - Finalise solution(s) and legal text, agree that Terms of Reference have been met, Review Workgroup Report and hold Workgroup Vote	7 April 2022	Ofgem decision	TBC
Workgroup report issued to Panel (5 working days)	21 April 2022	Implementation Date	10 working days after Authority Decision

# Timeline for CMP304 V4 as of 17 November 2021

Milestone	Date	Milestone	Date
Workgroup 1 (re-education of proposal and solution, agree timeline and terms of reference)	8 November 2021	Code Administrator Consultation	1 April 2022 to 27 April 2022
Workgroup 2 and 3 (finalise solution to be consulted on, agree alternatives and agree Workgroup Consultation questions)	15 December 2021 and 18 January 2022	Draft Final Modification Report (DFMR) issued to Panel	19 May 2022 (CMP305 as well?)
Workgroup Consultation (15 Working Days)	31 January 2022 to 21 February 2022	Panel undertake DFMR recommendation vote	27 May 2022 (CMP305 as well?)
Workgroup 4 - Assess Workgroup Consultation Responses and any alternatives + hold alternative vote	1 March 2022	Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	31 May 2022
Workgroup 5 – finalise solutions, review terms of reference, hold Workgroup Vote	9 March 2022	Final Modification Report issued to Ofgem	9 June 2022
Workgroup report issued to Panel (5 working days)	17 March 2022	Ofgem decision	TBC (Note CMP305 as well)
Panel sign off that Workgroup Report has met its Terms of Reference	25 March 2022	Implementation Date	TBC



# In flight Modifications – the asks of Panel - Other

## CMP300

Workgroup on how to address Terms of Reference agreed by Panel (to address Ofgem's send-back) was held 8 November 2021. Further analysis (using published Future Energy Scenarios) to assess whether or not any future CfD Balancing Mechanism Units are likely to come on line in the future was discussed at a Workgroup on 25 November 2021 ahead of presenting Workgroup's conclusions to December 2021 Panel. Panel will be asked to **NOTE** the Workgroup's findings against each of the Terms of Reference but will not be asked to formally agree that this can proceed to Code Administrator Consultation.

# Discussions on Prioritisation

- **AGREE** where New Modifications that need Workgroups are placed in the prioritisation stack
- **AGREE** any movements in the current prioritisation stack

# Prioritisation Principles

Section 8: 8.19.1.(e) makes the following provision for the Panel and states “Having regard to the complexity, importance and urgency of particular CUSC Modification Proposals, the CUSC Modifications Panel may determine the priority of CUSC Modification Proposals and may (subject to any objection from the Authority taking into account all those issues) adjust the priority of the relevant CUSC Modification Proposal accordingly”

Complexity	The modification is viewed as being resource intensive and will most likely require a higher than average number of workgroups to conclude the process. Additionally the modification defect is viewed to have implications for many different areas of the energy market which need to be taken into consideration throughout the process.
Importance	The perceived value & risk associated with the proposed modification. The value / risk could be considered from a number of different perspectives i.e. financial / regulatory / licence obligations both directly for customer and end consumers more generally.
Urgency	A modification which requires speedy consideration within the code governance process, both complexity and importance should be factors considered in evaluating urgency as well as the timescales for implementation within the respective code.

# BREAK








# Workgroup Reports

None this month



# Draft Final Modification Reports

**None this month**



# **Standing Groups** - *Updates on all standing groups relevant to CUSC panel e.g. potential for future governance changes or modifications*

**Governance Standing Group – Garth Graham**

**TCMF – Jenny Doherty**

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

**European Code Development – Nadir Hafeez**

**Joint European Stakeholder Group – Garth Graham**



# Update on Other Industry Codes

**Grid Code**

**STC**

**SQSS**

**DCUSA**

**BSC**

The background features several decorative yellow lines. In the top left, there are several thin, curved lines that sweep upwards and to the right. In the bottom right, there are several thicker, parallel diagonal lines that sweep upwards and to the right, creating a sense of movement and energy.

# Relevant Interruptions Claim Report

(January, April, July, October)

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# Governance

**None this month**

The background features several abstract, flowing yellow lines. Some lines are curved and sweep across the top left, while others are more linear and extend towards the bottom right. The lines vary in thickness and create a sense of movement and depth.

# Horizon Scan

(February, May, August, November)

# Forward Plan Update/Customer Journey)

(January, March, May, July, September, November)

(Critical Friend Quarterly Update in Panel Pack – January, April, July and October. To be discussed at Panel – January and July)

**None this month**

The background features several decorative yellow lines. In the top left, there are several thin, curved lines that sweep upwards and to the right. In the bottom right, there are three thick, parallel diagonal lines that sweep upwards and to the right, starting from the bottom left and extending towards the top right. The overall design is clean and modern, with a focus on geometric shapes and a limited color palette of yellow and blue.

# Expectations of new Panel

**Trisha McAuley and Paul Mullen**



# Purpose of Panel & Duties of Panel Members

The **Panel** shall be the standing body to carry out the functions referred to in the Governance Rules.

## Functions

The **Panel** shall endeavour at all times to operate: (i) in an efficient, economical and expeditious manner, taking account of the complexity, importance and urgency of particular **Modification Proposals**; and  
With a view to ensuring that the relevant **Code** facilitates achievement of the **Code** Objectives.

## Duties of Panel Members & Alternates

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

## Alternates

Alternates represent Panel Members in their absence at Panel meetings and have the same rights and obligations attached to them.

# Who is on CUSC Panel?

## Panel Setup – CUSC (8.3)

### Non Voting Members

Chair (there are some exceptions)

Code Admin Rep

Panel Secretary

Authority Rep

Observers

### Voting Members – 1 Vote per party

ESO (x2) – 8.3.1

**Appointed Members (x7) – 8.3.1 or their Alternates (up to 5) – 8.7**

Consumer Rep x 1 – 8.3.1

A person appointed by Ofgem – 8.3.1/8.4.3

# Code Modification Process Overview



Talk to us

Forums



Raise a  
mod

Panels



Refine  
solution

Workgroups  
(Workgroup Consultations)



Consult



Decision

Ofgem/Panel



Implement

# Voting

Any matter is decided by simple majority of the votes cast at the meeting. Panel members have to be present for vote to count.

Process	Voting
Urgency	Vote on whether or not to recommend Urgent treatment – In the event of a tie, the Chair can exercise casting vote if they so choose (8.24.5)
Fast Track	No specific vote, unanimous agreement required (8.29.5)
Workgroup Report	No specific vote, majority agreement required (8.20.21)
Draft Final Modification Report	Vote on whether or not to recommend implementation - Chair does not have a casting vote in the event of a tie (8.11.4)
Draft Final Self Governance Modification Report	Vote to decide whether to implement – In the event of a tie, the Chair can exercise casting vote if they so choose (8.11.4)

# Getting Prepared

Event	Date	Description	Panel Requirement
CUSC Panel	Last Friday of each month unless agreed otherwise (except December where Panel is held 3 <sup>rd</sup> Friday of the month)	Meeting to discuss progress of modifications and CUSC issues.	<b>Attend meeting (or send apologies early)</b>  <b>Vote</b>  <b>Prepare for meeting</b>
Papers Day	5 clear working days prior to Panel	Panel members sent relevant papers for CUSC Panel meeting	<b>Read papers to enable full participation in meeting -</b> <i>We will set out the key asks in our covering email</i>  <b>Complete voting statements if required</b>

# Panel Ways of Working

**Objective of Panel:** Panels facilitate change to the respective Code by overseeing the modification process ensuring modifications and changes to the Codes are carried out in an efficient, economical and timely manner.

## Areas of responsibility

For each modification proposal:

- Agreeing the route and timetable it should follow
- Assessing if a workgroup is required and setting the terms of reference
- Consideration of the Applicable Code Objectives set out in the Transmission Licence
- Recommendation to Ofgem / Decision where Ofgem decision not required
- Establishing Standing Groups
- Prioritisation (in flight and new modifications)

## Success criteria

Timely progression of all modifications with a strong focus on quality inputs and outputs and all pertinent information set out clearly in Final Modification Reports to allow Ofgem to make informed decisions

Modifications being challenged by a wide audience with participation across all stakeholder groups and all views being taken into account within recommendations

Efficient development of changes that demonstrate value for money for consumers

## What Panel do?

Strive to attend all meetings, or send apologies to allow an alternate to attend, having completed any preparation work

Remain impartial with appropriate challenge

Actively participate in discussions

Have the interests of the industry in mind at all times

Fulfil any responsibilities assigned

Address any conflicts of interest

## Behaviour Charter

Listen quietly to and respect the views of others

Value Diversity

Make smart use of time

Contribute to good quality discussions and provide constructive challenge

Progress Code development with impartiality and for the benefit of the whole of the industry

Raise significant concerns/AOBs in advance to Chair (cc Code Admin)

Sending apologies in advance



# Chair's Expectations

Trisha McAuley

# Behaviours

- Respect housekeeping protocols
- Read and fully digest papers – employer letter gives priority to Panel work
- Respect Code Admin, each other, ESO, Ofgem
- Understand Code Admin – timely input of voting statements and prioritisation views
- Impartiality and independence – represent your constituency not your company – understand your responsibilities to understand your sector
- Discuss AoB items first with Chair and secretariat
- Raise contentious issues in advance – no surprises or agenda derail
- Respect the process – no “after the event” or post-decision thoughts

# Prioritisation

- Take responsibility, take it seriously and be accountable for using your industry expertise to identify where the Panel should focus its priorities
- Focus on issues of strategic importance and not on detailed points of process or operation
- Understand resource constraints

# Voting

- Please do not raise new issues in the midst of the vote – hampers independence
- No herd voting or manipulation of voting order

# General

- Focus on the strategic role of the Panel and avoid straying into detailed Workgroup conversations
- Greater focus on end consumer impacts

# AOB

## ***1. General discussion on impacts of coronavirus outbreak (All)***



# Next Panel Meeting

**10am on 26 January 2022 at National Grid  
ESO offices at Faraday House, Warwick**

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**Papers Day – 18 January 2022**

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**Modification Proposals to be submitted  
by – 11 January 2022**

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**TCMF – 6 January 2022**

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**Close**



**Trisha McAuley**

**Independent Chair, CUSC Panel**

**nationalgrid**ESO