

# CUSC Panel

**Friday 24 June 2022**

**Online via Teams**

# WELCOME

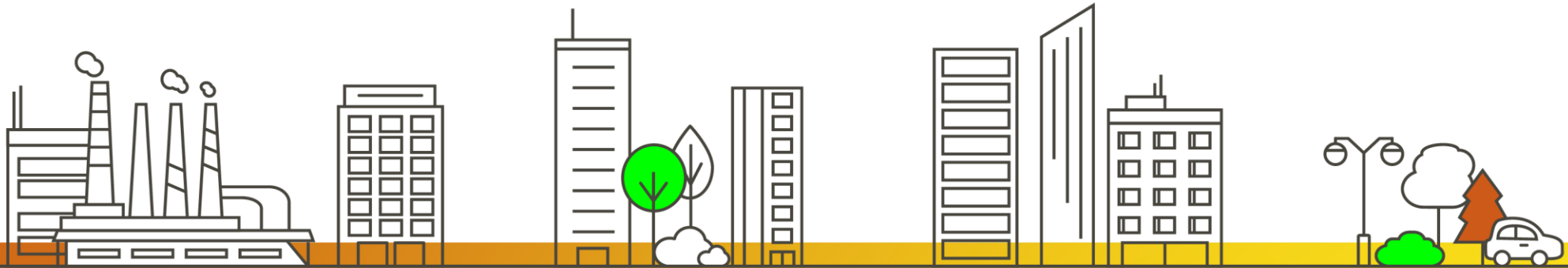


**nationalgrid**ESO



# Approval of Panel Minutes

**Approval of Panel Minutes from the  
Meetings held 29 April 2022, 27 May  
2022 and 30 May 2022**



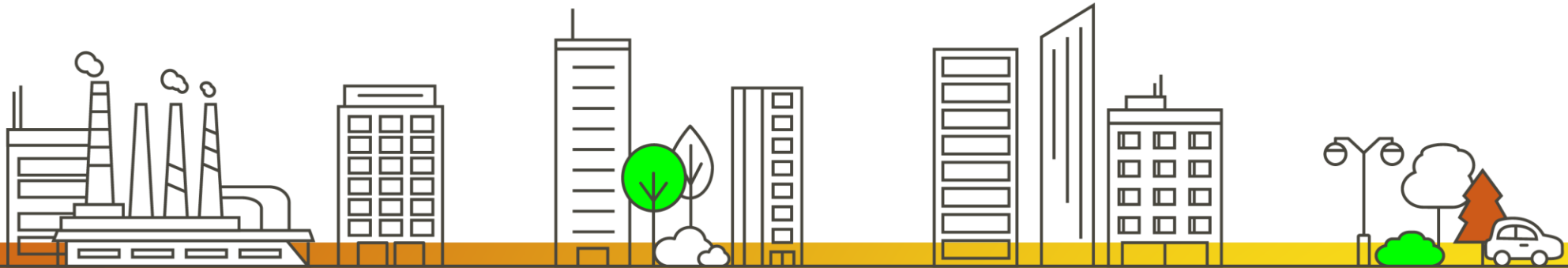
# Actions Log

## Review of the actions log



# Chair's Update

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



# Authority Decisions (as at 16 June 2022)



## Decisions Received since last Panel meeting

- ☐ **CMP391** (Ofgem approved the Original on 31 May 2022. Implemented 1 June 2022).
- ☐ **CMP392** (Urgent treatment not approved 7 June 2022)
- ☐ **CMP371** (Decision received 10 June 2022 rejecting the Original proposal as the Authority decided that CUSC would less closely align with the ESO's obligations under their Electricity Transmission Licence if CMP371 is implemented)

## Decisions Pending

- ☐ **CMP292** (Expected decision date of TBC in 2022 (previously 30 June 2021 and latterly 30 September 2021) as Ofgem still consider this to be low priority)
- ☐ **CMP298** (Expected decision date of 30 November 2022)
- ☐ **CMP300** (Expected decision date was 16 June 2022 – Ofgem to advise on new expected decision date at June 2022 Panel)
- ☐ **CMP328** (Expected decision date of 30 November 2022 - The Final Modification Report for the associated STC change (CM078) was issued to Ofgem on 7 June 2022)
- ☐ **CMP361/362** (Expected decision date of 24 June 2022)

## Received Final Modification Reports since last Panel Meeting

None

# New modifications submitted

**CMP393 - Using Imports and Exports to Calculate Annual Load Factor for Electricity Storage; and**

**CMP394 - Removing Generation Charges from Electricity Storage Operators in Positive TNUoS Zones**

**Rob Newton - Zenobe**



# Critical Friend Feedback – CMP393 and CMP394

Code Administrator comments	Amendments made by the Proposer
<p>General ask to be clear about which forms of storage are in scope and why</p> <p>Added timeline</p> <p>Asked for justification for standard governance to be added</p> <p>Suggested shortening the “Why Change” section so clearly links to the issue that the Modification seeks to address</p>	<p>Proposer accepted all amendments suggested by the Code Administrator apart from shortening the “Why Change” section as Proposer feels this adds context</p>



# Summary



## **Draft Code Modifications**

1. CMP393: Using imports and exports to calculate annual load factor for electricity storage
2. CMP394: Removing generation charges from electricity storage operators in positive TNUoS zones

## **Research**

- Cornwall Insight commissioned to model impacts of mods
- Ongoing engagement with stakeholders

Envisioned implementation date: April 2024

## **Impacted Parties**

- Storage Operators, Generators, Transmission Owners, ESO, Parties Liable for TNUoS

## Context: Storage and the TNUoS Methodology



### The current methodology

- Last substantial updates in 2014 under Project TransmiT
- Tariffs are based on analysis of modelling that did not consider system impacts of storage build
- Generation mix has transformed since 2014

### ‘Conventional Carbon’ Generation Classification

- Battery storage added to classification in 2019/20
- Peak + (ALF x year round shared) + (ALF x year round not shared) + residual
- A tariff reflecting output and not input unduly discriminates against storage

### Inconsistency with ACOs

- **Competition:** Inaccurate economic signal creates a barrier to entry
- **Cost-reflectivity:** Charges do not reflect benefits of storage above constraints
- **Developments in licensee business:** Charges do not reflect changes to generation mix as more storage connects. Nor do they reflect the utility of storage in achieving net zero emissions by 2050.

## CMP393: 'Using import and export capacity to calculate annual load factor for storage'



### Defect:

The Transmission Network Use of System (TNUoS) charging methodology currently includes battery storage and pumped storage in the 'Conventional Carbon' generation classification. As such, battery storage and pumped storage assets face the Conventional Carbon generation tariff:  $\text{Peak} + (\text{Annual Load Factor [ALF]} \times \text{year-round shared}) + (\text{ALF} \times \text{year-round not shared}) + \text{generation adjustment}$ .

Using only output to calculate ALF for pumped storage and battery storage does not reflect how storage assets can import power, as well as export it. Consequently, the TNUoS methodology does not accurately reflect how storage assets interact with the energy system.

## CMP393: ‘Using import and export capacity to calculate annual load factor for storage’



### **Solution:**

This modification proposes to alter the definition of ALFs with respect to storage. All storage that has booked TEC (i.e., pumped and battery, as currently defined) would face an ALF calculation based on net system usage, and not export only. Over time, it is anticipated that other storage technologies will also be included.

Storage technologies will face a TNUoS tariff with a bespoke Annual Load Factor (Storage ALF) calculation, taking into account imports as well as exports. We propose that the tariff will read: peak + (Storage ALF x year round shared) + (Storage ALF x year round not shared).

Baseline ALF = Gross Generation Volume (MWh) / TEC x 24 x 365

CMP393 Storage ALF = Gross Demand Volume (MWh) – Gross Generation Volume (MWh) / TEC x 24 x 365



## CMP394: 'Removing generation charges from storage operators in positive TNUoS zones'



### **Defect:**

Transmission-connected storage operators have a net neutral annual load factor. As such, their impact on the system differs from that of exporting generators.

Current transmission charges are designed to reflect the impacts of exporting generators. They do not register how storage assets interact with the energy system in technologically and locationally specific ways. The current TNUoS regime is therefore resulting in unduly discriminatory conditions for storage operators.

Storage brings a range of benefits to the transmission system. However, the current charging regime does not incentivise operators to deploy where the system need for storage is strongest: in generation-constrained areas. In fact, transmission charges in positive zones provide a signal that actively disincentivises storage operators from deploying in these zones.

## CMP394: 'Removing generation charges from storage operators in positive TNUoS zones'



### **Solution:**

We propose to incentivise storage operators to locate assets in generation-constrained regions by exempting pumped storage and battery storage assets in positive TNUoS zones from payment of TNUoS charges.



## Modifications Against Applicable Charging Objectives

### **Facilitate competition: Positive:**

- Remove a barrier to entry and reduces discrimination
- Better enable storage operators to compete on their relative merits
- Facilitate competition in the generation of electricity by reducing curtailment and tackling constraints

### **Cost-Reflective: Positive**

- Reflect how battery storage and pumped storage impact transmission licensee costs by importing power, as well as exporting it.

### **Taking account of developments in transmission licensees' businesses: Positive**

- Net zero goals
- Accelerating deployment of storage

## Prioritisation

### **Complexity:**

- Range of impacted parties

### **Importance:**

- The modifications will remove an unduly discriminatory barrier to entry facing storage operators
- The modifications will provide significant system value by reducing constraint volumes and costs

### **Urgency:**

- The complexity and importance of the modifications justify high prioritisation in the stack
- Cornwall Insight's modelling (see next slide) shows the primary benefits of the modifications are in early years (2025-30), supporting use of the Standard Governance Procedure with a 2024 implementation date



## Cornwall Insight Modelling



Cornwall Insight modelling in Annex 1 demonstrates impacts on:

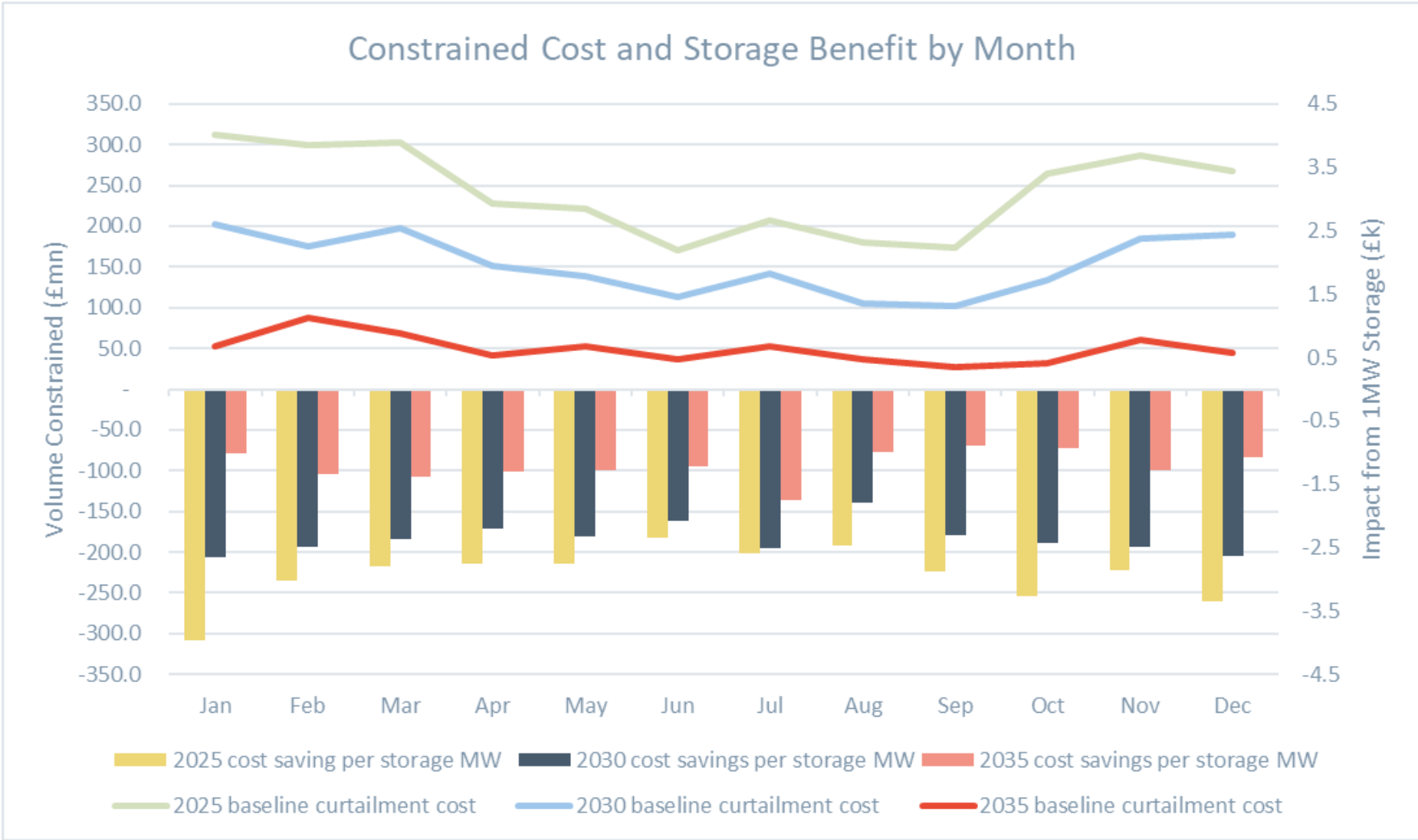
### 1. Constraint costs

Cornwall Insight modelled the marginal impact of adding a 1MW/2MWh storage facility behind the B6 boundary. The assessment showed a reduction in constraint volumes of 202MWh in 2025, falling to 127MWh in 2035. Analysis of the financial impact in 2025 shows the addition of a 1MW/2MWh storage facility behind the B6 boundary has a positive impact, reducing constraint costs by ~£35,000/MW. The value of 1MW of storage behind the B6 boundary falls to ~£28,000/MW in 2030, and ~£14,500/MW in 2035.

See graph in next slide.

### 2. TNUoS rates for generators

Cornwall Insight modelled the impact of the proposed modifications on TNUoS for generation technologies other than storage. They found the modifications would drive slight increases in TNUoS charges for all generators in GB: typically ~£0.20/kW. The modifications are therefore not expected to have a material impact on most generators' total TNUoS charges.



# Timeline for CMP393 and CMP394 (to be run on same day) – Proposed Standard Timeline – Workgroup

Milestone	Date	Milestone	Date
Modification presented to Panel	24 June 2022	Workgroup report issued to Panel	19 January 2023
Workgroup Nominations (15 working days)	28 June 2022 to 19 July 2022 (5pm)	Panel sign off that Workgroup Report has met its Terms of Reference	27 January 2023
Workgroup 1 (assuming at least Medium to High in prioritisation stack) Understand proposal and solution(s), note the scope, agree timeline, agree and review terms of reference, review cross code impacts, review analysis, agree next steps	2 August 2022	Code Administrator Consultation (15 working days)	1 February 2023 to 22 February 2023 (5pm)
Workgroup 2 - Further analysis review, refine solution(s), draft legal text and consider potential Workgroup Consultation questions	2 September 2022	Draft Final Modification Report (DFMR) issued to Panel	23 March 2023
Workgroup 3 - Review Workgroup Consultation and questions and finalise Workgroup Consultation	22 September 2022	Panel undertake DFMR recommendation vote	31 March 2023
Workgroup Consultation (15 working days)	3 October 2022 to 24 October 2022 (5pm)	Final Modification Report issued to Panel to check votes recorded correctly	4 April 2023
Workgroup 4 - Review Workgroup Consultation Responses, consider new points raised, refine solution, review legal text and discuss any potential alternatives	4 November 2022	Final Modification Report issued to Ofgem	12 April 2023
Workgroup 5 - Finalise solutions (including legal text) and alternatives and hold alternative vote	28 November 2022	Ofgem decision	By 1 October 2023
Workgroup 6 - Finalise Workgroup Report and hold Workgroup Vote	15 December 2022	Implementation Date	1 April 2024

# CMP393 – the asks of Panel

- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline



# CMP394 – the asks of Panel

- **AGREE** that this Modification should follow Standard Governance (Ofgem decision) rather than the Self-Governance Criteria (Panel decision)
- **AGREE** that this Modification should proceed to Workgroup
- **AGREE** Workgroup Terms of Reference
- **NOTE** that there appear not to be any impacts on the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC
- **NOTE** the proposed timeline



# In Flight Modification Updates

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

# Request to change CMP315/CMP375 modification timeline

CMP315/CMP375	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem
Previous timeline	21 July 2022	22 September 2022	11 October 2022
New timeline	22 September 2022	17 November 2022	6 December 2022

**Rationale:** Workgroup held 25 May 2022 to discuss the Workgroup Consultation responses and agreed that analysis is required as a priority - this will be presented to a Workgroup on 30 June 2022. As a result, the Workgroup Report will be presented to September 2022 rather than July 2022 Panel - the timeline will be presented to June 2022 Panel for their approval.

**Ask of Panel:** Agree revised timeline?

# Withdrawal of CMP289

- **CMP289** (Consequential change to support the introduction of explicit charging arrangements for customer delays and backfeeds via CMP288) seeks to recover additional costs incurred by Transmission Owners and TNUoS liable parties as a result of Transmission Owners completing transmission works earlier than the contracted Completion Date or the party connecting initiating a delay to the contracted Completion Date. The changes to the charging element of the CUSC are covered under CMP288.
- Proposer formally notified the Code Administrator on 26 May 2022 that they wish to withdraw CMP289 as no solution needed for CMP289 following the deliberations on CMP288.
- CUSC 8.16.10 defines the process for withdrawal and industry were notified on 26 May 2022 and had until 5pm on 6 June 2022 to express their wish to become the new Proposer. **As no-one expressed a wish to become the new Proposer by 5pm on 6 June 2022, Panel, on 24 June 2022, will be asked under CUSC 8.16.10(b) to agree to the withdrawal of CMP289.**



# Discussions on Prioritisation

- AGREE where CMP392 is to be placed in the prioritisation stack
- 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

**CMP363/CMP364 - 'TNUoS Demand Residual charges for transmission connected sites with a mix of Final and non-Final Demand & Definition changes for CMP363'**

**Paul Mullen**

# CMP363 and CMP364 Summary

- CMP363 seeks to clarify the TNUoS Demand Residual charging arrangements for transmission connected sites that have a mix of Final and non-Final Demand; CMP364 supports CMP363 by changing Section 11 to add/amend/remove definitions as needed.
- CUSC Panel unanimously agreed that CMP363 and CMP364 should follow standard governance route and proceed to joint Workgroup.
- 2 Solutions developed for CMP363; 1 Solution for CMP364.

# What are the Solutions

CMP363 Original				
Charging methodology explicitly states that if there is 'mixed demand' (combination of Final and non-Final Demand), it will be treated as Final Demand.	A Single Site with mixed demand will have the TNUoS Demand Residual methodology applied based on the sum of its Final and mixed demand. i.e. Non-Final Demand will not be included if it is separately identifiable via Settlement Metering.	The charge is applied on a Single Site basis irrespective of the number of connection points that site may have to the transmission network or other networks. The methodology will be applied based on the sum of all connection points to the transmission network.	Transmission connected unlicensed networks will have no special treatment in the TNUoS methodology and so will be treated as transmission connected.	Definition of "Declarations" moved from CUSC Section 11 to Section 14 and additional text added re: validating the Declaration

CMP363 WACM1
As per CMP363 Original but using Settlement Metering as the default with Operational Metering as a fallback where Settlement Metering isn't practical or economical.

CMP364 Original	
In the definition of 'Final Demand Site', replace "All Users" with "For Users" in accordance with Ofgem's decision on CMP334.	Moved the definition of "Declarations" to CUSC Section 14

**Implementation Date: 1 April 2023 for all solutions**

# CMP363/364 Workgroup Consultation

The Workgroup held their Workgroup Consultation between 10 May 2021 and 1 June 2021 and received 7 non-confidential responses and 1 confidential response. In summary:

- Majority of respondents were supportive of the proposed changes and were overall content that the Workgroup have explored the right scenarios whilst noting that Sites could have a combination of these scenarios – one respondent thought it useful to show the impact of behind-the-boundary generation on final and non-final demand and the scenarios document has been updated accordingly and the same respondent also queried how on-site generation/storage output should be accounted for when assessing a site's demand residual liability;
- Mix of views as to whether to use the more “accurate” Settlement Metering vs Operational Metering.
- Concern that it would be impractical to implement a consistent solution for transmission-connected and distribution-connected Final Demand Sites as data at Distribution level is incomplete and there is no practical way of splitting the Maximum Import Capacity across Meter Point Administration Numbers, which opens up opportunities for gaming.
- There are no Grid Code and BSC changes expected.

# CMP363 and CMP364 Workgroup Vote 11 May 2022

Modification	Workgroup Vote
<b>CMP363</b>	<p>The Workgroup concluded unanimously (5 out of 5 votes) that the Original and WACM1 better facilitated the Applicable Objectives than the Baseline.</p> <p>Preference for WACM1 (4 out of the 5 votes)</p>
<b>CMP364</b>	<p>The Workgroup concluded unanimously (5 out of 5 votes) that the Original better facilitated the Applicable Objectives than the current CUSC (the Baseline).</p>



# CMP363 and CMP364 Workgroup Report – changes since May 2022 Panel

To be added by 5pm on 22 June 2022

# CMP363 and CMP364 Workgroup Terms of Reference

Workgroup Term of Reference	Location in Workgroup Report
a) Consider EBR implications	Interactions section
b) Consider impact on consumers	Workgroup assessment of Impacts section
c) Consider proposal that Sites with 'Mixed Demand' (i.e. combination of Final and Non-Final Demand) would be liable for the residual charges	Consideration of the Proposer's solution section
d) Consider proposal that Final Demand Sites will be allocated to a Charging Band based on their combined Final and Mixed Demand	Consideration of the Proposer's solution section
e) Clarify in the methodology that metering can be used to identify and separate 'pure' Non-Final Demand volumes from the volumes used for allocating a site to bands (if more than 1 band exists at transmission as per CMP343 WACMs)	Consideration of the Proposer's solution section
f) Consider practicalities for metering arrangements for the solutions proposed	Consideration of the Proposer's solution section – predominantly "3) Settlement Metering or Operational Metering"
g) Check whether the Declaration process (created by CMP319 and adapted by CMP334) needs to be enhanced as a result of this proposal and if so how.	Consideration of the Proposer's solution section - "4) Declarations"
h) Identify any BSC or Grid Code barriers that would prevent metering configurations that the proposal looks to use.	Workgroup Considerations and Consideration of the Proposer's solution – "1) Clarify the arrangements for "complicated sites"
i) Consider interactions and consistency with related DCUSA change	Proposer's solution – "Transmission vs Distribution arrangements" and Interactions section
j) Consider any inconsistencies in the current legal text e.g. in the definition of 'Final Demand Site' Ofgem believe that "All Users" should be replaced with "For Users"	Annex 6

# CMP363 and CMP364 Next Steps

Milestone	Date
Code Administrator Consultation (15 working days)	27 June 2022 to 5pm on 18 July 2022
Draft Final Modification Report issued to Panel	21 July 2022
Draft Final Modification Report presented to Panel	29 July 2022
Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	2 August 2022
Submission of Final Modification Report to Ofgem	10 August 2022
Ofgem decision	By 1 October 2022
Implementation Date	1 April 2023

# CMP363 and CMP364 - the asks of Panel

- **AGREE** that the Workgroup have met their Terms of Reference
- **AGREE** that this Modification can proceed to Code Administrator Consultation
- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **NOTE** the ongoing timeline

# Workgroup Reports

**CMP288 - 'Explicit charging arrangements for customer delays and backfeeds'**

**Ruth Roberts**

## CMP288 Explicit charging arrangements for customer delays and backfeeds

## CMP289 Consequential change to support the introduction of explicit charging arrangements for customer delays and backfeeds via CMP288

These modifications were raised by National Grid Electricity Transmission on 23 February 2018 and a joint Workgroup was formed to evaluate both modifications.

Since the February 2018 Panel, National Grid Electricity System Operator (NGESO) became legally separate from National Grid Electricity Transmission (NGET).

NGET was approved by the Authority to become Proposer of CMP288 as they were deemed to be materially affected by the defect of the modification. NGESO maintained to be the Proposer of CMP289.

Nine Workgroup meetings were held between May 2018 and December 2019 before the modifications were put on hold due to Panel Prioritisation of other modifications.

The CMP288 Proposal was withdrawn by NGET on 22 July 2021 and it was adopted by NGESO.

The Proposer withdrew their support for CMP289 on 26 May 2022 following the Workgroup Consultation, as they believed a consequential change was no longer required. There were no requests from industry to adopt support of CMP289 within the withdrawal window.

# Key points to note to the Panel

- Original solution has gone through a significant change since the modification was originally raised to the Panel in February 2018.
- In the Workgroup consultation, 10/12 responses did not believe that the original proposal better facilitates the applicable objectives
- Some respondents to the consultation would prefer the charging methodology to sit within the CUSC under open governance
- Some respondents believed risk is transferred to developer by this modification rather than being shared, and there is discrimination between Users
- The Workgroup were asked to consider Shared Works and following their consultation discussed three Shared Works scenarios which must be avoided.
- An alternative request was raised, however not brought forward by the Workgroup. The alternative looked to impose charges on Users for incremental costs incurred by the TO where a User requests a delay to the Completion Date for a connection ('delay charges'). The alternative proposal built on CMP288 to clarify that any work undertaken and costs incurred by the TO prior to the Trigger Date specified in a Bilateral Connection Agreement will not be taken into account when calculating delay charges.

# CMP288 Workgroup Vote

- 2 out of 8 voting members voted that the Original better facilitated the applicable objectives than the baseline



# Terms of Reference

- The Workgroup conclude that they have met their Terms of Reference and the references can be located below:

Workgroup Term of Reference	Location in Workgroup Report (to be completed at Workgroup Report stage)
Consider EBR implications	No EBR implications identified.
Transition implementation arrangements	Transition implementation arrangements for some of these charges have been agreed in England and Wales. Existing arrangements will be honoured.
Asset identification and asset access	Considered in previous work (2018) – Annex 3.
Paying for delay for User	Workgroup Considerations section.
WACC publication and WACC information specific to TO's calculation of charges passed through to the User	Considered in previous work (2018) – Annex 3.
Information flow ahead of commitment stage gates	Workgroup Considerations section.
Assessment of materiality of the costs	Workgroup Considerations section.
Consider assurance process (including non-CUSC processes) e.g. how Users can validate and dispute such charges	The dispute process is unchanged by this proposal.
Consider the different approaches within the TO's charging statements and processes; and consider any recommendations to be made to the TOs as a result	Workgroup Considerations section.

# CMP288 Timeline

Milestone	Date
Code Administrator Consultation	27 June 2022 – 18 July 2022
Draft Final Modification Report (DFMR) issued to Panel	21 July 2022
Panel undertake DFMR recommendation vote	29 July 2022
Final Modification Report issued to Panel to check votes recorded correctly (5 working days)	2 August 2022
Final Modification Report issued to Ofgem	10 August 2022
Ofgem decision	TBC
Implementation Date	10 working days after Ofgem decision

# CMP288 - the asks of Panel

- **AGREE** that the Workgroup have met their Terms of Reference
- **AGREE** that this Modification can proceed to Code Administrator Consultation
- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **NOTE** the ongoing timeline



# Draft Final Modification Reports

**CMP388 – Transmission Demand Residual (TDR) minor clarifications**

**Paul Mullen**

## CMP388 Background

Ofgem's recent decisions on CUSC modifications CMP335/336 and CMP340/343 contained several small changes/clarifications that would be beneficial in addition to some identified by the ESO. CMP388 seeks to implement these clarifications.

The Panel met on 29 April 2022 and agreed that it goes straight to Code Administrator Consultation.

Code Administrator Consultation was opened on 6 May 2022 and closed 5pm on 27 May 2022 with 2 non-confidential responses received, both of which were supportive of the change and implementation date. One of these respondents asked that any decision on CMP388 is made at the same time as CMP389.

## CMP388 Next Steps

Milestone	Date
Draft Final Modification Report presented to Panel	24 June 2022
Final Modification Report issued to Panel to check votes recorded correctly	28 June 2022
Submission of Final Modification Report to Ofgem	6 July 2022
Ofgem decision	By 31 October 2022
Implementation Date	1 April 2023

# CMP388– the asks of Panel

- **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
  - *Does the CMP388 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps

## CMP389 Background

CMP389 aims to implement changes related to band boundaries as stated in paragraph 3.12 of Ofgem's recent decision on CUSC modification CMP343. The CMP389 Original seeks to change the boundary between transmission bands 3 and 4 (from the 85<sup>th</sup> to 93<sup>rd</sup> percentile).

The Panel met on 29 April 2022 and agreed that it goes straight to Code Administrator Consultation.

Code Administrator Consultation was opened on 16 May 2022 and closed 5pm on 13 June 2022 with 6 non-confidential responses and 1 confidential response received.

- 5 of the 6 non-confidential responses were supportive of the change and implementation approach and 2 of these respondents the solution was in line with Ofgem's request in their CMP343 decision. 2 of these respondents noted the need for further change to address current cliff-edges given the difference in TNUoS between Transmission Bands 3 and 4; and
- The 1 non-confidential response, who did not support the change, argued that this is detrimental to competition and noted that 15 out of the 19 parties that would be impacted by CMP389 would pay more TNUoS than under CMP343. The Proposer had also noted that CMP389 would redistribute a fixed value of charges between users located in transmission bands 3 and 4 resulting in 'winners' and 'losers'; and
- No Legal Text changes proposed.



## CMP389 Next Steps

Milestone	Date
Draft Final Modification Report presented to Panel	24 June 2022
Final Modification Report issued to Panel to check votes recorded correctly	28 June 2022
Submission of Final Modification Report to Ofgem	6 July 2022
Ofgem decision	By 31 October 2022
Implementation Date	1 April 2023

# CMP389– the asks of Panel

- **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
  - *Does the CMP389 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps

## CMP390 Background

CMP390 seeks to update Connection application forms to enable disclosure of information to government for purposes of the National Security and Investment (NSI) Act 2021

The Panel met on 29 April 2022 and agreed that it goes straight to Code Administrator Consultation.


Code Administrator Consultation was opened on 9 May 2022 and closed 5pm on 30 May 2022 with 1 non-confidential response received, which was from the Proposer, and was supportive of the change and implementation date.

## CMP390 Next Steps

Milestone	Date
Draft Final Modification Report presented to Panel	24 June 2022
Final Modification Report issued to Panel to check votes recorded correctly	28 June 2022
Submission of Final Modification Report to Ofgem	6 July 2022
Ofgem decision	TBC
Implementation Date	10 working days after Authority decision

# CMP390– the asks of Panel

- **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
  - *Does the CMP390 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps



# **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 – Karen Thompson-Lilley**



# 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**





# Relevant Interruptions Claim Report

(January, April, July, October)

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**Governance**

**None this month**

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# Horizon Scan

(February, May, August, November)



# Forward Plan Update/Customer Journey)

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

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# AOB

***1. None this month***

# Next Panel Meeting

**10am on 29 July 2022 in person at ESO  
Offices, Faraday House, Warwick**

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**Papers Day – 21 July 2022**

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**Modification Proposals to be submitted  
by – 14 July 2022**

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**TCMF – 7 July 2022**

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**Close**



**Trisha McAuley**

**Independent Chair, CUSC Panel**

**nationalgrid**ESO