

CUSC Panel

Friday 29 July 2022

National Grid ESO Offices, Faraday House

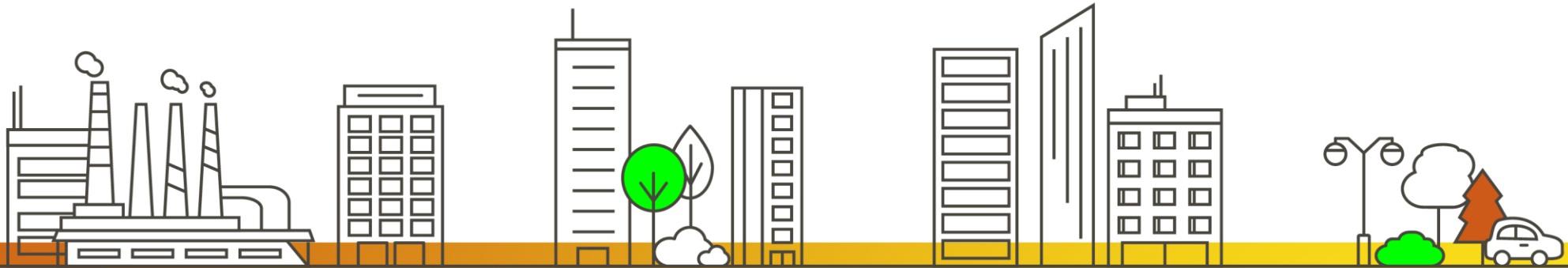
WELCOME

A wide-angle landscape photograph featuring a valley with a winding river and several bright, glowing light trails that curve across the foreground and middle ground. In the background, there are large, rugged mountains with patches of snow under a dramatic, cloudy sky with sunlight breaking through.

nationalgridESO

Approval of Panel Minutes

Approval of Panel Minutes from the
Meeting held 24 June 2022



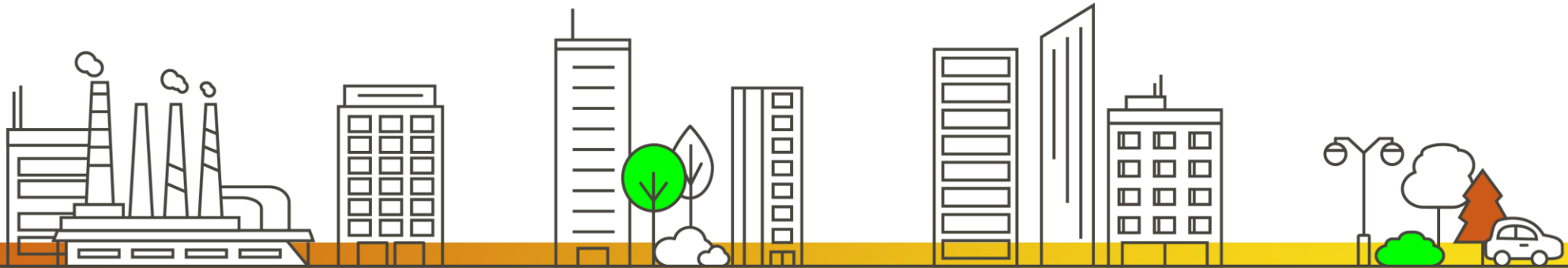
Actions Log

Review of the actions log



Chair's Update

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



Authority Decisions (as at 21 July 2022)



Decisions Received since last Panel meeting

- ☐ None

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)
- ☐ **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 26 August 2022)

Received Final Modification Reports since last Panel Meeting

- ☐ **CMP388** (Final Modification Report issued to Ofgem 6 July 2022)
- ☐ **CMP389** (Final Modification Report issued to Ofgem 6 July 2022)
- ☐ **CMP390** (Final Modification Report issued to Ofgem 6 July 2022)

New modifications submitted

None this month





In Flight Modification Updates

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

Request to change CMP286/287 modification timeline

CMP286/CMP287	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	7 December 2022

Rationale: Agreed at Workgroup meeting on 7 July 2022 that it was prudent to bring out the impacts more clearly and clarify and update the assumptions made in the analysis. Therefore, Workgroup Report will be presented to September 2022 Panel rather than July 2022 Panel.

Workgroups Remaining: 2

Ask of Panel: Agree revised timeline?

Request to change CMP330/374 modification timeline

CMP330/374	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem
Previous timeline	21 July 2022	22 September 2022	12 October 2022
New timeline	20 October 2022	8 December 2022	12 January 2023

Rationale: Workgroup Meeting held 27 June 2022 at which a revised timeline was agreed to allow sufficient time to finalise the legal text and agree implementation/transitional arrangements. Workgroup Report will be presented to October 2022 Panel.

Workgroups Remaining: 3

Ask of Panel: Agree revised timeline?

Request to change CMP363/364 modification timeline

CMP363/364	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem
Previous timeline	19 May 2022	21 July 2022	10 August 2022
New timeline	3 August 2022	22 September 2022	12 October 2022

Rationale: CUSC Panel on 27 May 2022 agreed that a further scenario needs to be explored before the Workgroup Report can be signed off. This is specifically the metering solution for a site with generation and / or substantial on-site consumption or storage to demonstrate that it is technically feasible to apply CMP363 at such generation and storage sites. Meeting 27 July 2022 for Workgroup to decide if proposed changes can be incorporated and if so, plan to issue updated Workgroup Report to Panel on 3 August 2022 for agreement via circulation (by 5pm on 10 August 2022).

Workgroups Remaining: 0

Asks of Panel:

- Agree revised timeline?
- Agree proposed approach for Panel to agree via circulation that Workgroup have met their Terms of Reference (subject to Workgroup agreeing to the proposed changes on 27 July 2022)

Request to change CMP392 modification timeline

CMP392	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem
Previous timeline	17 November 2022	19 January 2023	7 February 2023
New timeline	19 January 2023	16 March 2023	5 April 2023

Rationale: 1st Workgroup will be 9 August 2022 as Panel (on 24 June 2022) prioritised CMP392 as Medium rather than “High” or “Medium to High”

Workgroups Remaining: 6

Ask of Panel: Agree revised timeline?

Request to change CMP393 and CMP394 modification timeline

CMP393 and CMP394	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem
Previous timeline	19 January 2023	23 March 2023	12 April 2023
New timeline	18 May 2023	22 June 2023	12 July 2023

Rationale: 1st Workgroup will be 2 September 2022 as Panel (on 24 June 2022) prioritised CMP392 as Medium rather than “High” or “Medium to High”. 3 additional Workgroups added as well.

Workgroups Remaining: 9

Ask of Panel: Agree revised timeline?

Discussions on Prioritisation

- **AGREE** where New Modifications that need Workgroups are placed in the prioritisation stack
- **CARRY OUT** deep-dive assessment of all Modifications that sit within the 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

**CMP288 – Explicit charging arrangements for customer delays
and backfeeds**

Paul Mullen

Solution(s)

Solution/summary of solutions:

- **CMP288 Original**
 - Define additional charges which are levied in the event of customers seeking to delay or speed up transmission works.
 - Charged as per the methodology in each Transmission Owner's Charging Statement (i.e. ESO will not alter or change these values calculated by Transmission Owners).
 - To be implemented 10 working days after Ofgem decision.
- No Workgroup Alternatives
- 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 and this was withdrawn at CUSC Panel on 24 June 2022.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses :

- Code Administrator Consultation was run from 27 June 2022 to 5pm on 18 July 2022 and received 6 non-confidential responses. Key points were:
 - 3 respondents supportive of change and implementation approach with 1 respondent adding that this minimises the risk of end consumers being exposed to additional costs of User-initiated delays and another respondent argued that this ultimately improves transparency of costs.
 - The other 3 respondents weren't supportive as no detail on the delay charge methodology and a lack of evidence and transparency. A respondent suggested that Transmission Owner proactively engage with Users and therefore remove the issue that CMP288 seeks to address.
 - After the Workgroup concluded, NGET became aware that the updated T2 licence arrangements specify a much more substantial Ofgem approval of TO Charging Statements and argue that this provides a much greater level of oversight on any changes proposed by the Transmission Owners, including the power for the Authority to reject changes.
 - No legal text issues identified.

CMP288 Next Steps

Milestone	Date
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 date	TBC
Implementation Date	10 working days after Implementation Date

CMP288 - 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 CMP288 Original proposal better facilitate the objectives than the current CUSC arrangements?*
- **NOTE** next steps

EBR Article 3 Objectives

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

1. This Regulation aims at:

- (a) Fostering effective competition, non-discrimination and transparency in balancing markets;
- (b) enhancing efficiency of balancing as well as efficiency of national balancing markets;
- (c) integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
- (d) 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;
- (e) 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;
- (f) 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;
- (g) 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.

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 – Claire Huxley

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

European Code Development – Scott McPhillimy

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)

The background features several thick, flowing yellow lines that sweep across the frame. Some lines are curved and loop around, while others are more straight but still have a dynamic, sweeping quality. These lines are set against a plain white background.

Governance
None this month



Horizon Scan

(February, May, August, November)



Forward Plan Update/Customer Journey)

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

AOB

1. *Electricity System Restoration Standard Modifications update (Sade Adenola, Neha Gupta – National Grid ESO)*

An aerial photograph of a patchwork of green agricultural fields, likely corn or soybeans, separated by dark lines representing roads or irrigation canals. Several bright, parallel yellow light streaks cut diagonally across the lower right portion of the image, adding a sense of motion or energy.

Electricity System Restoration Standard

GC0156 Presentation

July 2022

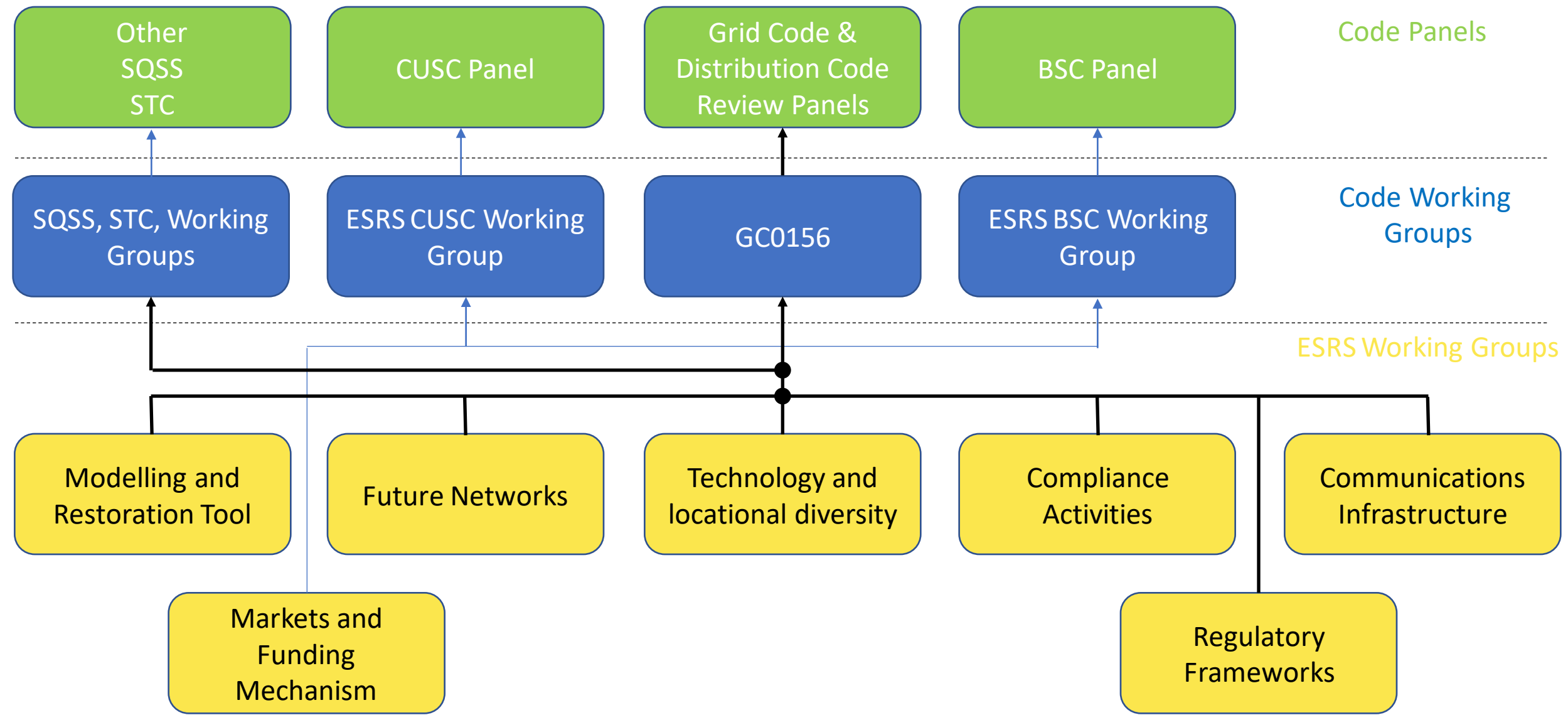
Facilitation of the the ESRS

- Special Condition 2.2 of National Grid's Electricity System Operator's Transmission Licence, the Electricity System Restoration Standard (ESRS) requires
 - a. 60% of electricity demand being restored within 24 hours in all regions; and
 - b. 100% of electricity demand being restored within 5 days nationally.
- The purpose of this direction is to require that the ESO
 - a) Ensures and maintains an electricity restoration capability; and
 - b) Ensures and maintains the restoration timeframe.
 - c) Replace the definition of "Black Start" with "Electricity System Restoration"
- The aim is to restore the system and supplies as quickly as possible in the most economic manner

Other Available Tools to support Restoration

Tool	Purpose	Function
GC0137 Modification	Grid Forming	Enables Converter and Renewable based Generation to provide Restoration Services – Approved by Ofgem in January 2022
GC0148	Improved Communications resilience	72 hours communication resilience
	Participation from Non – CUSC Parties	More Parties are able to provide Restoration Services
	Critical Tools and Facilities and Governance	Provides requirements for Critical Tools and Facilities during a Black Start
	System Restoration Plan	Grid Code Governance structure being introduced for the System Restoration Plan
Distributed Re-Start	Enables DNO's to start sections of their Network using Restoration Service Providers	Capitalises on the growth of Embedded Generation Resources which can contribute to Black Start Legal Drafting prepared as part of GC0148 to be updated and refined as part of ESRS
ESRS Workstreams	To identify what additional requirements are necessary to give the system the best possible chance of recovery	

ESRS Hierarchy and Working Groups



GC0156 Subgroups

- The four ESRS Subgroups are
 - Assurance Framework
 - Communications Infrastructure
 - Future Networks
 - Markets and Funding Mechanisms
- The Terms of Reference for all the Subgroups were discussed in July 2022

High Level Industry Code changes required (1)

- Introduce the Distributed Re-Start requirements into the Grid Code and Distribution Code – The GC0148 Workgroup Consultation provides the starting point for this
- Amend the Industry Codes to ensure there is consistency in the obligations and capabilities between Black Start Service Providers (Transmission Connected - LJRP) and Anchor Generators (Embedded - DRZP) – In particular noting that 132kV in Scotland and Offshore is a Transmission Voltage
- Update the Grid Code to replace the term “Black Start” with Electricity System Restoration Standard
- Update the Grid Code and STC to facilitate the provision of Black Start from Offshore Networks – this is expected to be a significant growth area in the future
- Amend the Terms and Conditions as required under the E&R Code for future tenders and as part of the wider ESRS work in particular
 - a. The re-energisation procedure
 - b. the re-synchronisation procedure
 - c. frequency deviation management
- Consider the requirements for adequate System resilience and robustness, from a System and Plant perspective
 - Primary Plant (ie main electrical plant – eg Generators, Transformers, switchgear etc)
 - Secondary Plant (ie Control systems, protection, metering / comms)

High Level Industry Code changes required (2)

- Consider if additional measures are required for Critical Tools and Facilities as developed through GC0148
- What assumptions have been made about User's Plant and Apparatus during a System Shutdown and are further requirements necessary including remuneration measures
- Requirements for Regular Testing and Exercises from all Industry Participants – Consideration will need to be given to OC5 for both Local Joint Restoration Plans and Distribution Restoration Zone Plans
- Update the System Defence Plan, System Restoration Plan & Test Plan
- Undertake a minor house keeping change to OC5.7.1(b)(i) to ensure consistency with Grid Code Mod GC0108

Next Steps

- Identify Grid Code and Distribution Code gaps
- Review Distributed Re-Start Drafting and work
- Update the Grid Code, LJRP Process and Contracts to provide similar arrangements to those developed for DRZP's – this is particularly important for Smaller generators in Scotland where Transmission is classified at 132kV and above
- Identify the outcomes and recommendations of the ESRS workstreams
- Identify other deficiencies that can improve the restoration process

Request of CUSC Panel

- To make CUSC Panel members aware of the ESRS work
- To note that changes may be required to the CUSC in respect of the ESRS with the Grid Code providing the initial development work which may then result in consequential changes to the CUSC, especially if further funding is required in specific areas
- To request if any CUSC Panel Representatives or related parties would be interested in joining one of the GC0156 Subgroups or the GC0156 Workgroup

Next Panel Meeting

10am on 26 August 2022 via Teams

Papers Day – 18 August 2022

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

TCMF – 4 August 2022

Close



Trisha McAuley

Independent Chair, CUSC Panel