

NESO
National Energy
System Operator

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### **Headline Report 28 March 2025**

The Headline Report is produced after every Panel and aims to provide an overview of the key decisions made. Minutes for this meeting will be published separately.

Approval of Panel Minutes

The meeting minutes from the Panel on 17 January, 31 January, 14 February and 24 February approved and these have been uploaded to our website <u>here</u>.

 The meeting minutes from 28 February, 04 March, 05 March, 07 March and 10 March will be presented for approval at the Panel meeting on 02 May.

**New Modifications** 

There were no new modifications presented.

### Decisions since the last Panel

The following Authority decisions have been made since the last Panel meeting:

Modification	Decisions	Implementation Date
CMP436 'Update CUSC arrangements to	On 20 March 2025 the Authority	03 April 2025
replace the Electricity Arbitration	approved the Original solution.	
Association with the London Court of		
International Arbitration (LCIA) (Non-		
Charging)'		
CMP437 'Update CUSC arrangements to	On 20 March 2025 the Authority	03 April 2025
replace the Electricity Arbitration	approved the Original solution.	
Association with the London Court of		
International Arbitration (LCIA) (Charging)'		
CMP403 'Introducing Competitively	On 20 March 2025 the Authority	08 April 2025
Appointed Transmission Owners &	approved the Original solution.	
Transmission Service Providers (Section		
14)′		
CMP404 'Introducing Competitively	On 20 March 2025 the Authority	08 April 2025
Appointed Transmission Owners &	approved the Original solution.	
Transmission Service Providers (Section 11)'		
CMP443 'Removing references to "Fax" or	On 14 March 2025 the Authority	28 March 2025
"Facsimile" within the CUSC '	approved the Original solution.	
CMP452 'Suspension of TNUoS Payments	On 13 March 2025 the Authority	N/A
for generators connecting during the	rejected the request for Urgency.	
2024/25 charging year'		





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### **Awaiting Decisions**

Modification	FMR submitted	Expected Decision  Date
CMP315 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC (previously 07 February 2025)
CMP330&CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'	10 August 2023	TBC Subject to CMP414 send back
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-Located Generation Sites)'	12 June 2024	TBC (previously 24 January 2025)
CMP418 'Refine the allocation of Dynamic Reactive Compensation Equipment (DRCE) costs at OFTO transfer'	11 March 2025	TBC
CMP434 'Implementing Connections Reform'	20 December 2024	Q2 2025
CMP435 'Application of Gate 2 Criteria to existing contracted background'	20 December 2024	Q2 2025
CMP441 'Reducing the credit risk of supplying non- embedded hydrogen Electrolysers'	23 December 2024	18 April 2025

Ofgem publish a table that provides the expected decision date, or date they intend to publish an impact assessment or consultation, for code modifications/proposals that are with them for decision. This can be found published <u>here</u>.

### **Prioritisation Stack**

The Panel carried out a deep dive of the prioritisation stack, taking into consideration feedback from industry participants, the CUSC Panel agreed the following changes to the prioritisation stack:

Modification	Panel Comments	Position in Prioritisation Stack
CMP417 Extending principles of CUSC Section 15 to all Users	The Panel agreed that CMP417 should be given 'high' priority due to the impact it has on demand, therefore this needs to be addressed.	High

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CMP445 Pro-rating first	The Panel agreed that CMP445 should be	High
year TNUoS for	placed as 'high' priority due to the impacts	
Generators	this modification could have and the	
	complexity of the modification.	
CMP405_TNUoS	The Panel agreed that CMP405 should be	Medium/High
Locational Demand	placed as 'medium/high' priority. The Panel	
Signals for Storage	acknowledged that the Storage Sub – Group	
	will be progressing and agreed the	
	progression of CMP405 should be reviewed to	
	ensure its placement on the stack should	
	remain.	

The Panel will continue to review the prioritisation stack on a monthly basis, taking into account feedback from industry. As work on the current modifications concludes and industry capacity is released, the Panel will prioritise and review other modifications accordingly.

The latest prioritisation stack can be found here.

In flight Modifications

# CMP344: Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology

The Panel agreed that the Terms of Reference had been met and CMP344 can proceed to Code Administrator Consultation.

# <u>CMP452: Suspension of TNUoS Payments for generators connecting during the 2024/25 charging year</u>

The Proposer withdrew their support for CMP452 on 17 March. No new Proposer came forward to support CMP452, so under CUSC 8.16.10(c) the Panel agreed that this modification is formally withdrawn.

The next Modification Tracker will be published on 07 April.

**Draft Final Modification Reports** 

The following Draft Final Modification Reports were presented:

### CMP444: Introducing a cap and floor to wider generation TNUoS charges





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This modification seeks to introduce a temporary cap and floor mechanism to wider generation TNUoS (Transmission Network Use of System) charges, to reduce investment uncertainty for generators and developers.

The Panel recommended by majority that the WACM1 and WACM2 better facilitated the Applicable CUSC Objectives. The Panel didn't reach a consensus on which solution best met the Applicable CUSC Objectives. Out of 9 votes, 4 voted for the Baseline, 2 voted for WACM2 and 1 voted for WACM1, WACM5 and WACM7 respectively. The Final Modification Report was submitted to the Authority on 28 March.

## <u>CMP446: Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)</u>

The current connections process can be improved to facilitate the timely connection of distribution projects that have minimal impact on the Transmission Network to help meet net zero and Clean Power 2030. This proposal raises the lower threshold at which an Evaluation of Transmission Impact Assessment (TIA) must be undertaken.

The Panel recommended unanimously that the Original, WACM1, and WACM2 better facilitated the Applicable CUSC Objectives. The Panel recommended by majority that WACM3, WACM4, and WACM5 better facilitated the Applicable CUSC Objectives.

The Panel didn't reach a consensus on which solution best met the Applicable CUSC Objectives. Out of 9 votes, 3 voted for WACM5, 2 voted for the Original, WACM1 and WACM4 respectively. The Final Modification Report was submitted to the Authority on 28 March.

Key Activities ahead of next panel

Transmission Charging Methodologies Forum: 10 April 2025 Modification Proposal Deadline for CUSC Panel: 15 April 2025

Papers Day: 24 April 2025

#### Questions or feedback?

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