

Public

Special CUSC Panel

Monday 28 April 2025

Online Meeting via Teams

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

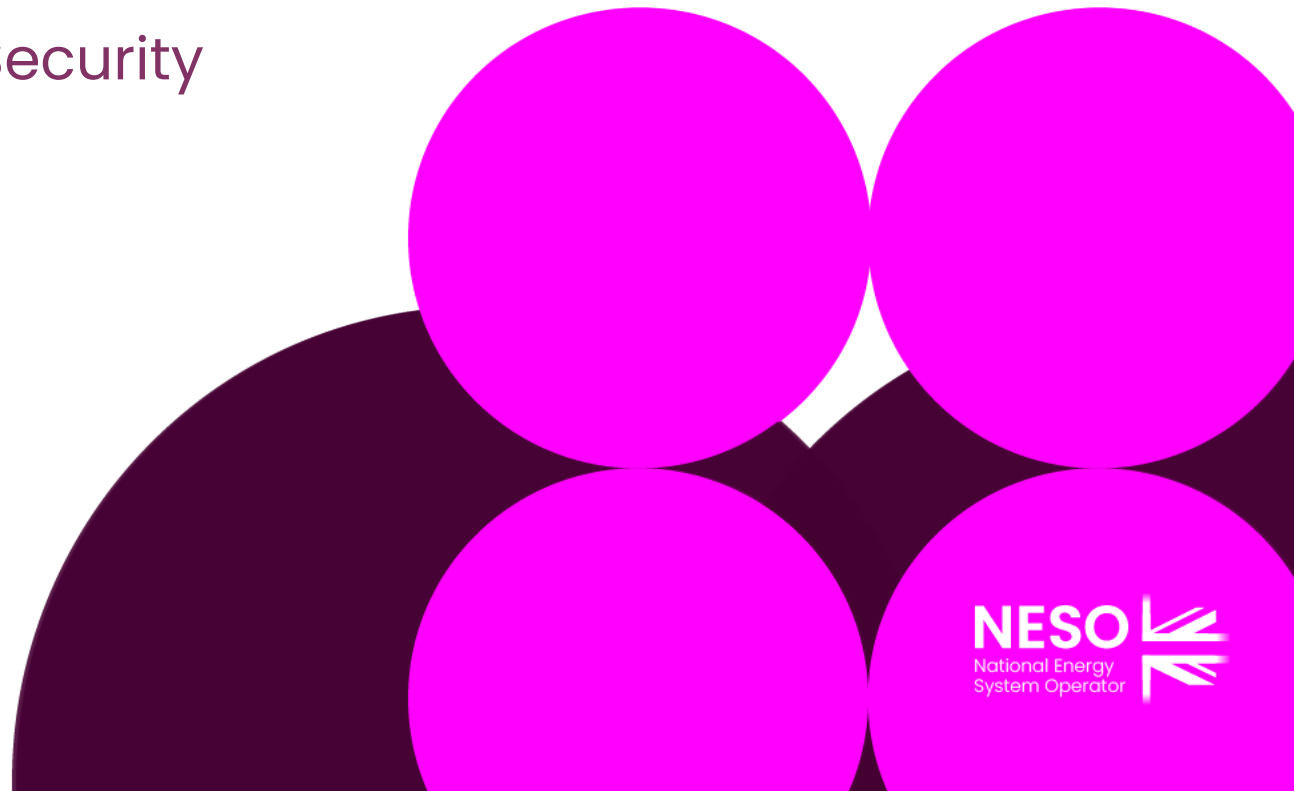
2.Shall not have any **conflicts of interest**.

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.

Workgroup Report

CMP432: Improve Locational Onshore Security
Factor for TNUoS Wider Tariffs

Sarah Williams (Workgroup Chair)



Key points to note

- Since the CMP432 Workgroup Report was submitted, there have been several queries, and a Workgroup member has expressed an interest in renegotiating the SECULF model Licence Agreement contract terms. All queries have now been addressed, and the model has been added to the collaboration space. The NESO Revenue Team has contacted the individual companies with the password accordingly.

CMP432 Solution

Proposers' solution:

It is proposed that the existing Locational Onshore Security Factor uplift should be removed from all TNUoS Wider locational tariffs for both Peak Security and Year-Round.

- This can be achieved by either setting the Locational Onshore Security Factor to 1.0 or removing it from the methodology from the Charging and Use of System Code (CUSC) altogether. After discussions with the Workgroup the Proposer decided to go with the removal of the Locational Onshore Security Factor as the final solution.
- It is important to note that Local charges will remain unchanged.

Requested implementation date for the Proposer's solution: 01 April 2026

CMP432 Workgroup Vote

Summary of Workgroup Vote:

Out of the 11 votes, the Workgroup concluded by majority that the Original better facilitated the Applicable Objectives than the Baseline. No alternatives were raised.

Option	Number of voters that voted this option as better than the Baseline
Original	6

Public 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
a) Consider EBR implications	Page 44
b) Consider the methodology for calculating the security factor (Locational Onshore Security Factor Section 14.15.88 – 14.15.90) and the further objectives of the Charging Methodology set out in Section 14.14.11	Pages 9, 10, 11, 15, 25, 26, 27, 31, 34, 44
c) Consider whether reinforcement with a larger capacity circuit, compared with the previous, increases the fault condition.	Pages 6, 14, 15, 16, 28, 29, 32, 33, 34, 44, 45
d) Consider the impact of whether reinforcement is achieved by upgrading an existing circuit to a larger capacity, therefore increasing the fault condition	Pages 6, 14, 15, 16, 28, 32, 33, 34, 44
e) Consider whether some types of technology require additional MITS redundancy, e.g. large inflexible conventional such as nuclear	Pages 14, 45, 46
f) Consider and evaluate the evidence that the current Security Factor is reflective of how TOs make network reinforcement decisions	Pages 3, 5–7, 14–16, 25, 28–30, 32–37, 39, 40, 46
g) Consider the scope of work identified and whether this is achievable within the timeframe outlined in the Ofgem Urgency decision letter.	42, 46
h) Consider EBR implications	Page 44
i) Consider the methodology for calculating the security factor (Locational Onshore Security Factor Section 14.15.88 – 14.15.90) and the further objectives of the Charging Methodology set out in Section 14.14.11	Pages 9, 10, 11, 15, 25, 26, 27, 31, 34, 44
j) Consider whether reinforcement with a larger capacity circuit, compared with the previous, increases the fault condition.	Pages 6, 14, 15, 16, 28, 29, 32, 33, 34, 44, 45
k) Consider the impact of whether reinforcement is achieved by upgrading an existing circuit to a larger capacity, therefore increasing the fault condition	Pages 6, 14, 15, 16, 28, 32, 33, 34, 44

CMP432 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

CMP432 Next Steps

Milestone	Date
Code Administrator Consultation (5 business days)	28 April 2025 – 06 May 2025
Draft Final Modification Report issued to Panel	12 May 2025
Draft Final Modification Report presented to Panel	15 May 2025
Final Modification Report issued to Panel to check votes recorded correctly	15 May 2025
Submission of Final Modification Report to Ofgem	15 May 2025
Ofgem decision date	30 September 2025
Implementation Date	01 April 2026

Activities ahead of the next Panel Meeting

Panel Meeting

02 May 2025 /
Faraday House

Close

Penny Garner

Acting Independent Chair, CUSC Panel