

Public

CUSC Panel

Friday 23 May 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**.

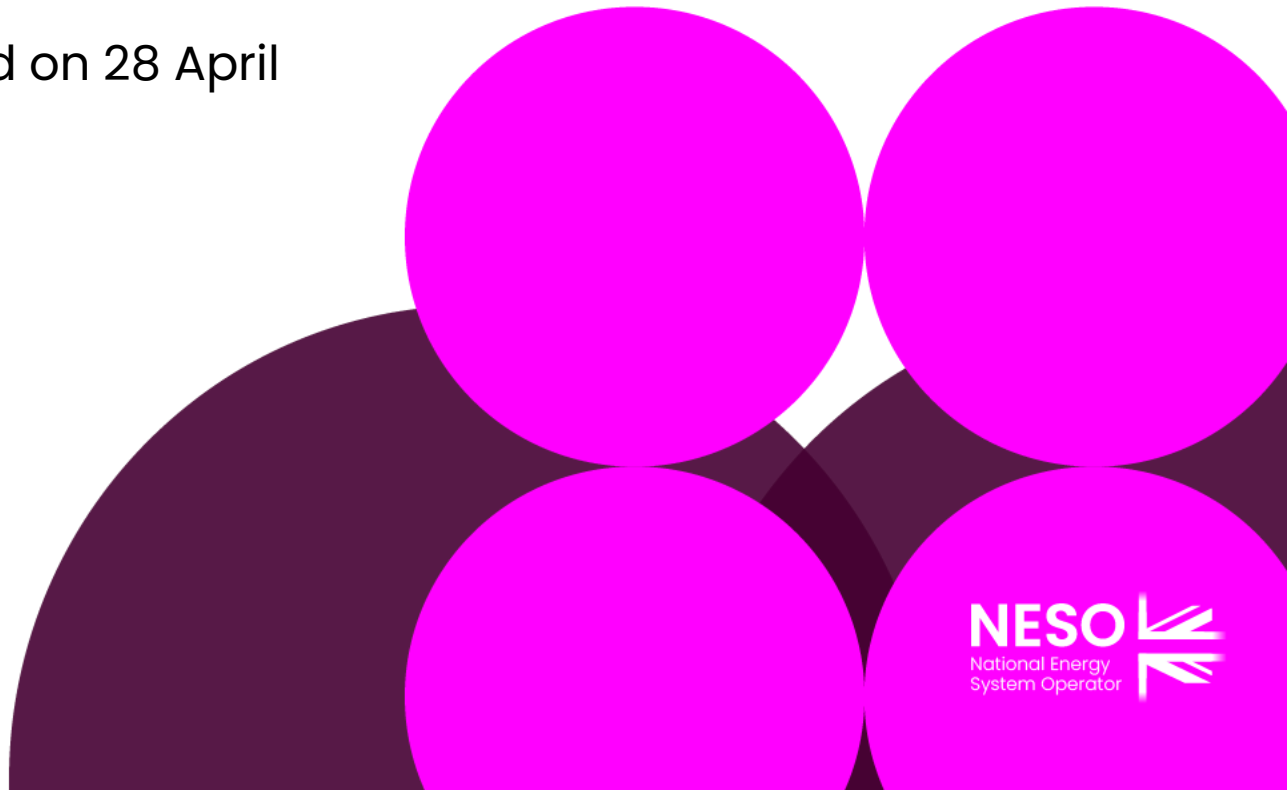
Duties of Panel Members & Alternates (8.3.4)

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.

Approval of Panel Minutes

Approval of Panel Minutes from the Meeting held on 28 April

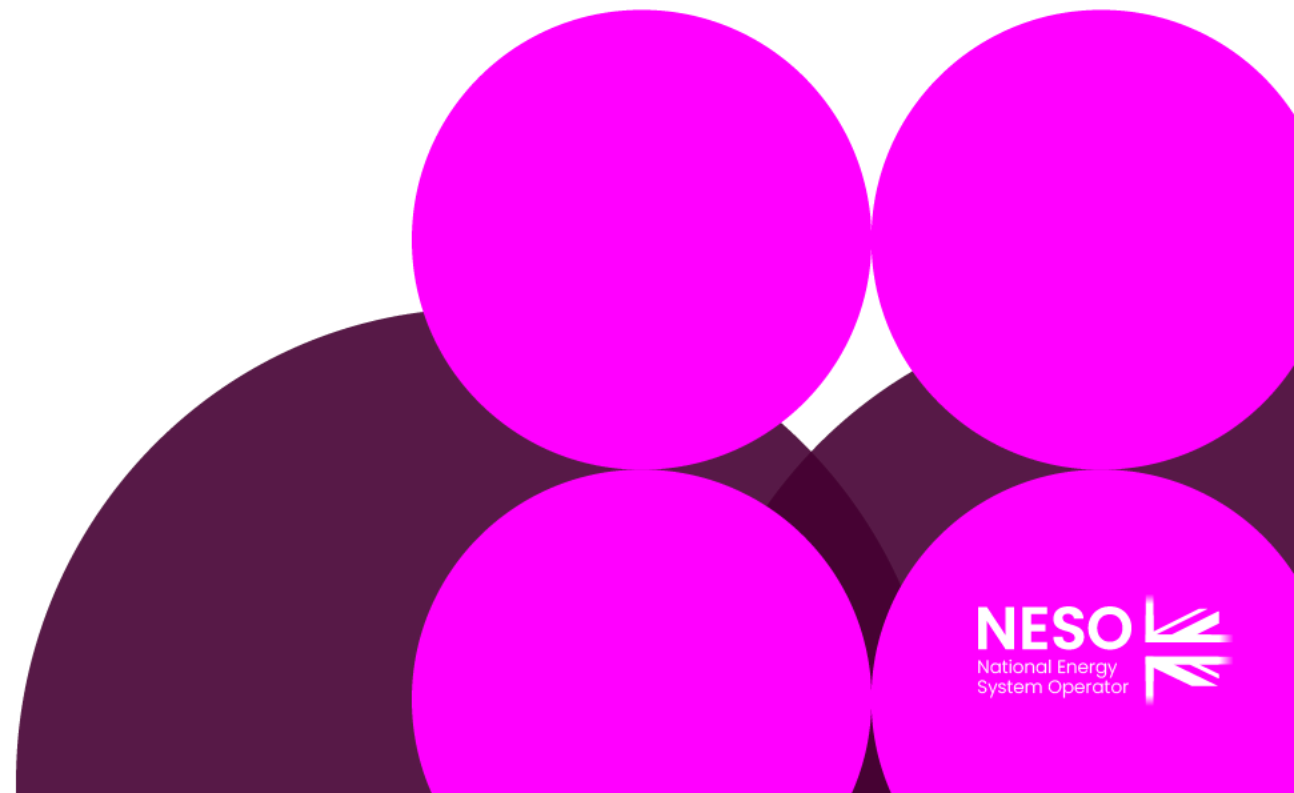


Action Log

One ongoing action remains open:

- Action 182

Chair's Update



Authority Decisions and Update (as at 15 May 2025)

Decisions Received since last Panel Meeting

Modification	Decisions	Implementation Date
CMP446 'Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)'	12 May 2025	13 May 2025

Decisions Pending

Modification	Final Modification Report Received	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	30 September 2025 (previously 24 January 2025)
CMP418 'Refine the allocation of Dynamic Reactive Compensation Equipment (DRCE) costs at OFTO transfer'	11 March 2025	TBC
CMP441 'Reducing the credit risk of supplying non-embedded hydrogen Electrolysers'	23 December 2024	30 May 2025 (previously 30 April 2025)
CMP444 'Introducing a cap and floor to wider generation TNUoS charges'	28 March 2025	01 July 2025

The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

Authority Decisions and Update (as at 15 May 2025)

Received Final Modification Reports since last Panel Meeting

Modification	Final Modification Report Received	Expected Decision Date
CMP450 'Introducing the definition of Dynamic Reactive Compensation Equipment (DRCE) in the CUSC'	14 May 2025	TBC

The Authority's publication on decisions can be found on their website below:

<https://www.ofgem.gov.uk/publications/code-modificationmodification-proposals-ofgem-decision-expected-publication-dates-timetable>

New Modification

CMP453: To Bill BSUoS on a net basis at BSC Trading Units

Matthew Foster, Triton

CMP453 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
<ul style="list-style-type: none">• Formatting changes• Clarification on governance route (Workgroup/straight to Code Administrator Consultation)• Confirmation on proposed legal text	Proposer accepted all amendments made by the Code Administrator



TRITON POWER

CMP453 To bill BSUoS on a net
basis at BSC trading units

The issue

- BSUoS is now billed to sites with final demand on a gross basis
- Customers forming a BSC Trading Unit are therefore charged BSUoS when net flows at the site are export
- A Trading Unit recognises that the impact on the system is the net sum of demand and supply at the point of connection
- Energy imbalance is calculated this way ...
- ... And so should BSUoS be
- Where a demand Balancing Mechanism Unit (BMU) forms part of a transmission connected Trading Unit, BSUoS will be billed on a net basis, i.e. when the site is importing it will pay BSUoS, but when it is exporting it will not

Metering configuration

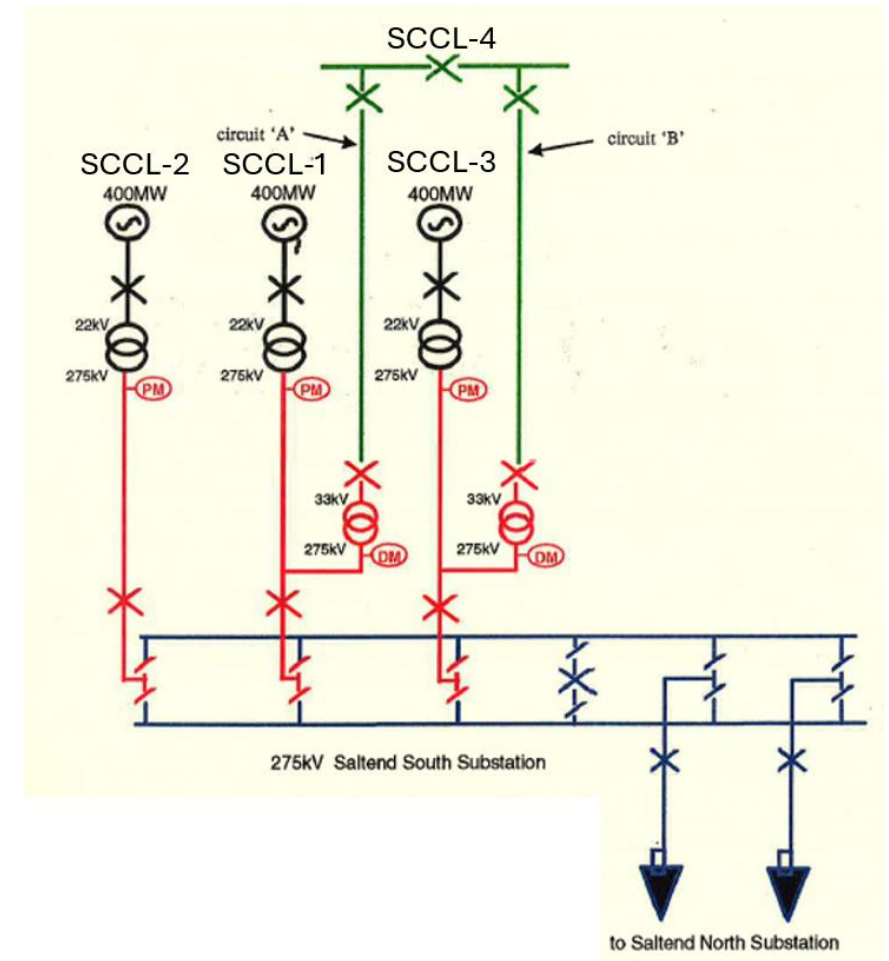
SCCL 1 to 3 generation

SCCL 4 demand

If the generators are running the power loops only briefly onto the TO by virtue of the wiring

The wiring could change, but that is unnecessary cost

Customers BSUoS charges are not cost reflective



Consultation

- Proposed to go straight to Code Administration Consultation
- Important to move fast due to length of time to notify charging changes
- Significant impact on industrial customers located on these sites
- Implementation proposed to be 1 April 2026
- Timetable has been suggested by NESO

CMP453 Proposed timeline – Straight to CAC

Milestone	Date
Modification Presented to Panel	23 May 2025
Code Administrator Consultation (15 Business Days)	02 June – 23 June 2025
Draft Final Modification Report (DFMR) issued to Panel (5 Business Days)	30 June 2025
Panel undertake Recommendation Vote	04 July 2025 (CMP448 Special Panel)
Final Modification Report issued to Panel to check votes recorded correctly	07 July 2025
Final Modification Report issued to Ofgem	14 July 2025
Ofgem decision	By 30 September 2025
Implementation Date	01 April 2026

CMP453 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect, scope and solution
- **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 Code Administrator Consultation
- **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

Inflight Modification Updates

- **CMP316**: TNUoS Arrangements for Co-located Generation Sites
- **CMP445**: Pro-rating first year TNUoS for Generators
- **CMP447**: Follow on Modification to CMP428

CMP316: TNUoS Arrangements for Co-located Generation Sites Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	18 August 2022	19 June 2025	08 July 2025	Required by 30 September 2025	01 April 2026
New timeline	18 August 2022	14 August 2025	03 September 2025	Required by 30 September 2025	01 April 2026

Rationale: Additional Workgroup meetings required to refine solution and legal text

Workgroups Remaining: 2

Ask of Panel: Agree revised timeline

CMP447: Follow on Modification to CMP428 Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
New timeline	22 January 2026	20 March 2026	08 April 2026	TBC	10 Business Days after Authority decision

Rationale: Timeline is reflective of the high priority status it has been given.

Workgroups Remaining: 10

Ask of Panel: Agree revised timeline

CMP445: Pro-rating first year TNUoS for Generators

Request to change Terms of Reference

The Workgroup would like to reflect the following within their Terms of Reference:

Amended Workgroup Terms of Reference

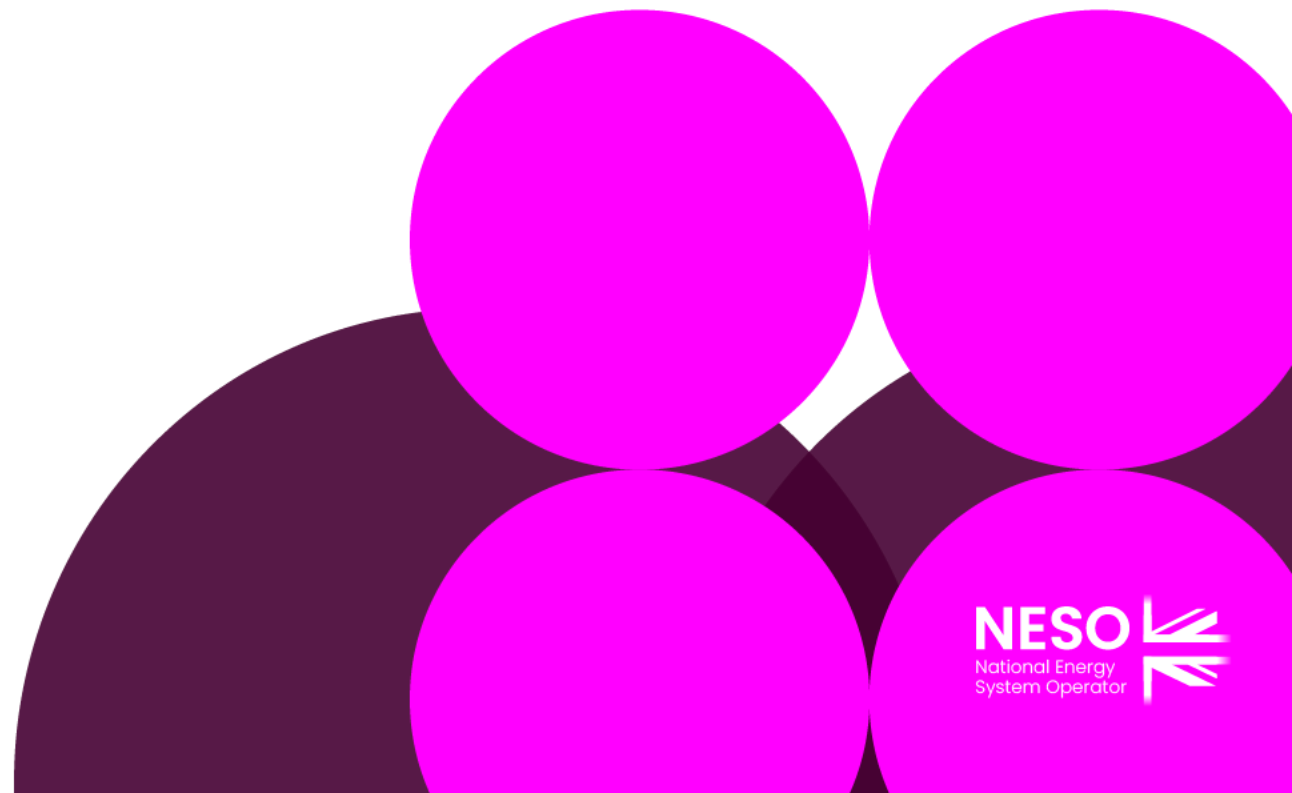
- a) Consider EBR implications
- b) Consider applicability to negative charging zones given the different charging basis for those users – ie based on actual output in months November to February.
- c) Consider whether the solution should also be applied to users who reduce **or increase** TEC within year, such as when closing a generating station
- d) Consider the timing of the recovery of any **over or** under-recovery in charging year $t[0]$ – is it to be recovered in charging year $t[0]$ (via a 'mid-year tariff change?) or $t[+1]$ or $t[+2]$?
- e) Consider from which class or classes of User the recovery should be made by: (i) generators only, (ii) demand only or (iii) both generation and demand

CMP445 – the asks of Panel

- **AGREE** the amended points within Terms of Reference

Panel Tracker

Catia Gomes, Code Administrator



Discussions on Prioritisation

- AGREE where new Modifications that need Workgroups are placed in the prioritisation stack

Standing Groups

Updates on all standing groups relevant to CUSC Panel e.g. potential for future governance changes or modifications

TCMF – NESO Panel Member

- Previous meeting – 08 May 2025 [Meeting materials and Headline Report](#)
- Next meeting – 05 June 2025

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
 - Previous meeting – 13 May 2025 was cancelled
 - Next meeting – 10 June 2025

Updates on other industry codes

06 May 2025 Special SQSS [Panel Papers and Headline Report](#)

21 May 2025 Grid Code Review [Panel Papers and Headline Report](#)

22 May 2025 STC [Panel Papers and Headline Report](#)

Horizon Scan

(February, May, August, November)

Codes Affected	Legislative, Regulatory or Industry Change Overview	Published Content	Key Contact	Last Updated	Proposed Modifications Expected	Within 1 Year	Within 2 Years	Within 5 Years
Grid Code, CUSC, SQSS and STC	<p>The Offshore Coordination Project has been set up by NESO with support from Ofgem and the Department for Business, Energy & Industrial Strategy.</p> <p>Offshore wind has been identified as a critical technology in achieving net zero greenhouse gas emissions by 2050. In order to help realise this target, a step-change in both the speed and scale of deployment of offshore wind is required.</p> <p>May-25: Holistic Network Design (HND) work is ongoing, with currently approx monthly meetings. A successful and well-received in-person HND meeting was held with OEMs on 20/03/25 (next meetings scheduled for 28/05 and 25/06). Offshore Hybrid Assets (OHA) work continues with Ofgem / DESNZ. We anticipate minimum 2 years for Code changes (from the time of initiating Mods).</p>	ESO Offshore Coordination Project Page	box.OffshoreCoord@nationalenergyiso.com	May-25	Mar-24			
Grid Code, CUSC, STCPs, and STC	<p>Replacement of Fax Machines in the NESO Control Room Due to the phasing out of the copper wire technology that fax machines utilise, the NESO Control Room will be replacing the fax machines that are used between the NESO and Users for some interactions.</p> <p>May-25:</p> <ul style="list-style-type: none"> - STC Mod CM099 Replacement of Fax Machines: Implemented on 30 April 2024. - Grid Code Mod GC0175 Replacement of Fax Machines Mod: Implemented on 28 March 2025. - STCP Mod PM0144 Fax Machine (and e-mail): Implemented on 17 April 2025. - CUSC Mod CMP443 Fax Machine Mod: Implemented on 28 March 2025. 	Grid Code (GC) GC0175: Decision Letter CMP443 Decision Letter https://www.neso.energy/document/357266/download		May-25	Jun-24			

Any other business

- Independent Chairperson – Process overview

Activities ahead of the next Panel Meeting

Special Panel Papers Day	03 June 2025
Transmission Charging Methodologies Forum	05 June 2025
Special Panel Meeting (CMP448: Draft Final Modification Report)	09 June 2025 Microsoft Teams
Modification Proposal Deadline for June Panel	12 June 2025
Panel Papers Day	19 June 2025
CUSC Panel	27 June 2025 Microsoft Teams

Close

Trisha McAuley OBE
Independent Chair
CUSC Panel