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CUSC Panel 02 May 2025

CUSC Panel Minutes

Date: 02/05/2025	Location: Faraday House/Microsoft Teams
Start: 10:00 AM	End: 11:00AM

Participants

Attendee	Initials	Representing
Trisha McAuley	TM	Independent Panel Chair
Catia Gomes	CG	Panel Secretary, Code Administrator
Ren Walker	RW	Panel Technical Secretary, Code Administrator
Andrew Enzor	AE	Users' Panel Member
Andy Pace	AP	Consumers' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joe Dunn	JD	Users' Panel Member
Mark Duffield	MD	Users' Panel Member Alternate
Kyran Hanks	KH	Users' Panel Member
Paul Jones	PJ	Users' Panel Member
Daniel Arrowsmith	DA	NESO Panel Member
Nadir Hafeez	NH	Authority Representative
Harriet Harmon	HH	Authority Representative

Apologies

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Attendee	Initials	Representing
Joe Colebrook	JC	Users' Panel Member
Rashmi Radhakrishnan	RR	Elexon Observer

Presenters

Attendee	Initials	Representing
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Observers

Attendee	Initials	Representing
Robert Hughes	RH	NESO

1. Introductions, Apologies and Declarations of Interest

12840. Apologies were received from Joe Colebrooke and Rashmi Radhakrishnan.

12841. No declarations of interest were received.

2. Minutes from previous meeting

12842. The meeting minutes from 28 February, 04 March, 05 March, 07 March and 10 March and 28 March 2025 were approved.

3. Review of actions log

12843. The CUSC Panel reviewed the open actions from the meeting held on 28 March, which can be found on the Actions Log.

4. Chair's update

12844. The Chair announced their decision to step down as the Independent Panel Chair of the CUSC and Grid Code Review Panel after 7.5 years in post, with their final CUSC Panel scheduled for 23 May. It was noted that NESO will assume the chairing responsibilities during the interim period.

12845. Panel members thanked TM for her time as Panel Chair and wished her all the best for future endeavours.

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5. Authority Decisions

12846. NH provided an update on Modifications that have been decided upon, together with those currently awaiting their decision.

Decisions since last CUSC Panel

12847. NH confirmed the following decisions have been made since the last CUSC Panel.

Modification	FMR submitted	Decision Date
CMP436 'Update CUSC arrangements to replace the Electricity Arbitration Association with the London Court of International Arbitration (LCIA) (Non-Charging)'	20 March 2025	03 April 2025
CMP437 'Update CUSC arrangements to replace the Electricity Arbitration Association with the London Court of International Arbitration (LCIA) (Charging)'	20 March 2025	03 April 2025
CMP403 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 14)'	25 March 2025	08 April 2025
CMP404 'Introducing Competitively Appointed Transmission Owners & Transmission Service Providers (Section 11)'	25 March 2025	08 April 2025
CMP434 'Implementing Connections Reform'	15 April 2025	10 June 2025
CMP435 'Application of Gate 2 Criteria to existing contracted background'	15 April 2025	10 June 2025

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	30 September 2025 (previously 24 January 2025)

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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 18 April 2025)

Other Updates

12848. NH advised the Panel that Ofgem have published their second consultation on the implementation of the energy code reform. The consultation covers their approach to implementing the industry code governance reforms as set out in the Energy Act 2023. The consultation is available on the Ofgem website and will close on 29 May 2025. Any responses should be sent to industrycodes@ofgem.gov.uk.

6. New modifications

12849. No new modifications were presented to the Panel.

7. In flight modification updates

12850. CG talked the Panel through the progression of the in-flight modifications. The in-flight modifications can be found within the CUSC Panel papers pack via the following link: [Modification Tracker](#)

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

12851. CG explained to the Panel that upon completion of the final implementation of CUSC Section 14, some discrepancies were identified in clause 14.14.2 due to amendments related to CMP403. There are no material conflicts, and the legal text has been updated. However, the legal text needs to be approved by the Workgroup members before going to Code Administrator Consultation, therefore requires a one-month delay to the timeline. The Panel agreed to the timeline update.

CMP417: Extending principles of CUSC Section 15 to all Users Timeline Update

12852. CG advised the Panel that additional time is required to simplify the solution so it is fully understood by Workgroup members, and to fully discuss and refine the

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solution within Workgroup meetings. This revised timeline also takes into account the time that will be required to develop the solution for CM093 which needs to be submitted to the Authority alongside CMP417. The CM093 solution relies on the CMP417 solution being agreed first. The Workgroup Consultation will also run after the CMP448 solution(s) have been finalised within the FMR (according to the current CMP448 timeline) so any interaction with this modification can be taken into account by respondents and reviewed by the Workgroup following the Workgroup Consultation. The Panel agreed to the revised timeline for CMP417.

The next Modification Tracker will be published on 07 May.

8. Workgroup Reports

12853. No Workgroup Reports were presented to the Panel.

9. Draft Final Modification Reports

12854. CG presented the following Draft Final Modification Report to the Panel:

CMP450: Introducing the definition of Dynamic Reactive Compensation Equipment (DRCE) in the CUSC

12855. CG delivered a presentation on CMP450. CG explained that this modification seeks to introduce the same definition of Dynamic Reactive Compensation Equipment (DRCE) in the CUSC (Connection and Use of System Code) that currently exists in the Grid Code which ensure consistency.

12856. CG confirmed that the Code Administrator Consultation was run from 03 March 2025 to 24 March 2025 and received 0 responses.

12857. The Panel held their recommendation vote for CMP450. The Panel recommended unanimously that the Proposer's solution is implemented. The Panel recommended unanimously that the Original better facilitated the Applicable CUSC Objectives. The Final Modification Report will be submitted to the Authority on 14 May 2025. ***(Post Meeting note: The Final Modification Report was submitted to the Authority on 14 May 2025).***

10. Discussion on Prioritisation

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12858. The Panel carried out a monthly review of the prioritisation stack, taking into consideration feedback from industry participants. Some Panel members had received feedback from industry regarding CMP447 and the potential commercial impacts this modification could have on users. The CUSC Panel also received a confidential letter to support the evidence of the potential commercial impacts. The Panel held further discussions and unanimously agreed that CMP447 should be given high priority within the prioritisation stack.

The CUSC Panel agreed the following changes to the prioritisation stack:

Modification	Panel Comments	Position in Prioritisation Stack
CMP447 Follow on Modification to CMP428	The CUSC Panel considered industry feedback on CMP447 and agreed unanimously that CMP447 should be placed high on the stack.	High

12859. 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](#).

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

12860. DA informed Panel that the next TCMF meeting will be held on 08 May. The meeting materials can be found via the following link: [Transmission Charging Methodology Forum](#)

12. European Updates

Joint European Stakeholder Group (JESG)

12861. GG confirmed that the JESG meeting was held on 08 April. The meeting materials can be found via the following link: [Joint European Stakeholder Group](#)

The next JESG meeting will be held on 13 May.

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13. Update on other Industry Codes

12862. The Panel papers and Headline Report for the following meetings can be found at the below links:

- 27 March 2025 Grid Code Review [Panel Papers and Headline Report](#)
- 26 March 2025 STC [Panel Papers and Headline Report](#)

14. Relevant Interruptions Claim Report

12863. The Panel had no further comments on the Relevant Interruptions Claim Report.

15. Governance

12864. No further updates for the Panel.

16. Horizon Scan

12865. No further updates for the Panel.

17. Code Administrator Update

12866. No further updates for the Panel.

18. Any Other Business (AOB)

NESO updated email addresses

12867. DA advised the Panel that as part of NESO's move away from National Grid, the NESO are moving over to own instance of Microsoft 365 and the consequences of this will be email addresses all changing again. This change will be taking place from 19 May.

DESNZ Webinar

12868. HH advised the Panel that DESNZ will be holding a webinar regarding REMA and government proposals around financial protections around Allocation Round 7 (AR7). HH stated that Ofgem intend to publish a letter this month which will set out further thinking on what Transmission Charges might look like in a REMA context and potentially will also set out how a reform programme could be structured.

19. Close

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12869. The Chair thanked the Panel for their time and contribution and brought the meeting to a close.

The next CUSC Panel meeting will be held on 23 May via Microsoft Teams.

New Modification Proposals to be submitted by 08 May.

CUSC Panel Papers Day is 15 May.