

NESO
National Energy
System Operator

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CUSC Panel Headline Report 25 July 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 <u>23 May</u> and <u>09 June</u> were approved, and these have been uploaded to our website. The meeting minutes from 27 June will be presented for approval at the Panel meeting on 22 August 2025.

New Modifications

The following new Modification Proposal was presented to the Panel:

CMP457: Revision of the Obligatory Reactive Power Service (ORPS)

The rising cost of ORPS provision reflects the compensation rate for ORPS, being reflective of gas prices. The increasing shift away from gas to low carbon generation requires a re-evaluation of compensation principles rather than a simple updating of values. This update to the Connection and Use of System Code (CUSC) will incorporate the output from the ORPS project to introduce a fair and transparent payment methodology.

Following some feedback on the Proposal, the Panel agreed that CMP457 will come back to the August Panel meeting for Panel to agree the governance route.

CMP457 documentation can be found here

New / Pending Authority Decisions

Decisions since the last Panel

There have been no Authority decisions on CUSC Modifications.

Awaiting Decisions

Modification	Final Modification	Expected Decision Date
	Report Received	



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CMP315 'TNUoS* Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review' *Transmission Network Use of System Charges	07 February 2024	TBC pending update on REMA (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 (subject to CMP316 send back)
CMP418 'Refine the allocation of Dynamic Reactive Compensation Equipment (DRCE) costs at OFTO transfer'	11 March 2025	By the end of July 2025
CMP432 'Improve "Locational Onshore Security Factor" for TNUoS Wider Tariffs'	15 May 2025	TBC
CMP441 (Reducing the credit risk of supplying non-embedded hydrogen Electrolysers)	23 December 2024	13 June 2025
CMP444 'Introducing a cap and floor to wider generation TNUoS charges'	28 March 2025	TBC (Authority are currently consulting. Closing date 11 August 2025)
CMP450 'Introducing the definition of Dynamic Reactive Compensation Equipment (DRCE) in the CUSC'	14 May 2025	TBC

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CMP448 (Introducing a Progression	04 July 2025	TBC
Commitment Fee to the Gate 2		
Connections Queue'		

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 was last updated on 17 July 2025 and is published <u>here</u>.

Prioritisation Stack

Every quarter the CUSC Panel hold a more in-depth review, the next in-depth review scheduled for the August 2025 Panel.

The latest prioritisation stack can be found <u>here</u>

In flight Modifications

There were no in-flight modification updates.

The next Modification Tracker will be published on 07 August 2025.

Workgroup Reports

No Workgroup Reports were presented to the Panel.

Draft Final Modification Reports

No Draft Final Modification Reports were presented to the Panel.

Key Activities ahead of next panel

Transmission Charging Methodologies Forum: 07 August 2025 Modification Proposal Deadline for July Panel: 07 August 2025

Papers Day: 14 August 2025

Questions or feedback?

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