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CUSC Panel 25 July 2025

CUSC Panel Minutes

Date: 25/07/2025 **Location:** Faraday House/Microsoft Teams

Start: 10:00 **End:** 13:10

Participants

| Attendee | Initials | Representing |
|-------------------|----------|---|
| Penny Garner | PG | Acting 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 Colebrook | JC | Users' Panel Member |
| Joe Dunn | JD | Users' Panel Member |
| Mark Duffield | MD | Users' Panel Member Alternate |
| Kyran Hanks | KH | Users' Panel Member |
| Daniel Arrowsmith | DA | NESO Panel Member |
| Harriet Harmon | HH | Authority Representative |

Public Apologies

| Attendee | Initials | Representing |
|----------------------|----------|--------------------------|
| Nadir Hafeez | NH | Authority Representative |
| Paul Jones | PJ | Users' Panel Member |
| Rashmi Radhakrishnan | RR | ELEXON – Observer |

Presenters

| Attendee | Initials | Position |
|---------------|----------|--------------------|
| Jeremy Taylor | JT | Proposer of CMP457 |
| Yuting Dai | YD | Proposer of CMP457 |

Observers

| Attendee | Initials | Representing |
|--------------------|----------|--------------------------|
| Fionnghuala Malone | FM | NESO, Code Administrator |

1. Introductions, Apologies and Declarations of Interest

12955. Apologies were received from Nadir Hafeez, Paul Jones and Rashmi Radhakrishnan.

2. Minutes from previous meeting

12956. The meeting minutes from 23 May and Special Panel on 09 June were approved.

3. Review of actions log

12957. The CUSC Panel reviewed the open actions from the meeting held on 27 June, which can be found on the Actions Log.

4. Chair's update

12958. The Chair advised the Panel that at the Grid Code Review Panel, a Panel Member provided an update on ongoing work and discussions, highlighting a suggestion

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from a GC panel member to amend WG reports for greater clarity and transparency. The member felt that proposers had too much emphasis in reports, and changes would be made to address this. The Chair discussed the importance of proposer ownership and the balance between proposer and workgroup member views. Reports would be made clearer, adhering to CACOP standards, and written in plain English. Some reports were lengthy, so WG votes would be included in annexes to ensure the final mod report and annexes were comprehensive for the authority. The Chair emphasized the need for detailed discussions within WG reports and analysis in the annexes

5. Authority Decisions

12959. HH provided an update on Modifications that have been decided upon, together with those currently awaiting their decision.

Decisions since last CUSC Panel

12960. HH confirmed no decisions have been made on CUSC Modifications since the last CUSC Panel.

Awaiting Decisions

| Modification | Final Modification Report Received | Expected Decision Date |
|--|------------------------------------|--|
| <p>CMP315 'TNUoS* Review of the expansion constant and the elements of the transmission system charged for' and CMP375 'Enduring Expansion Constant & Expansion Factor Review'</p> <p><i>*Transmission Network Use of System Charges</i></p> | 07 February 2024 | TBC pending update on REMA (previously 07 February 2025) |
| <p>CMP330 & CMP374 'Allowing new Transmission Connected parties to build Connection Assets greater than 2km in length and Extending contestability for Transmission Connections'</p> | 10 August 2023 | TBC subject to CMP414 send back |
| <p>CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-</p> | 12 June 2024 | 30 September 2025 (subject to CMP316 send back) |

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|--|------------------|---|
| Located Generation Sites) | | |
| 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 |
| CMP448 'Introducing a Progression Commitment Fee to the Gate 2 Connections Queue' | 04 July 2025 | TBC |

Other Updates

12961. HH advised the Panel that since the publication of the REMA decision and open letter have raised questions about the alignment between transmission charging, connections, and support for the SSEP. Ofgem is reviewing all decisions and proposals, particularly those that are sizeable, to determine how methodologies will look in the future and the extent to which decisions may need to be unwound. Ofgem are working through modifications with decisions and considering the processes and reforms needed.

12962. GG provided the Panel with an update on the Code Managers cross code Workgroup. GG advised there was a meeting held on 23 July, and the key focus of

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the meeting was discussions on the processes for Code Managers. GG noted that there was no representation from NESO at the Workgroup, however PG noted that a question has been raised with Ofgem about NESO representation on this Workgroup.

6. New modifications

12963. One new modification was presented to the Panel.

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

12964. JT delivered a presentation on CMP457. JT explained that 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.

12965. Following Panel discussions, feedback was provided to the Proposer on the proposal form which included the following:

- Clarification on which Applicable CUSC Objectives the modification will be assessed against (Charging or Non – Charging)
- Update the proposal form to remove any confusing wording and ensure clarity on the commercial aspects and payment methods.
- Code Administrator to amend the timeline to allow time for the necessary data to be provided following the projects conclusions.

12966. Following this feedback, the Panel agreed that CMP457 should come back to the August Panel meeting for Panel to agree the governance route.

12967. DA advised the Panel that NESO has been approached by RWE regarding a cost recovery modification that could complement GC0168: Submission of Electro Magnetic Transient (EMT) Models, focusing on the cost of finding models and potential recovery through TNUoS/BSUoS. The proposal was submitted as an urgent modification without sufficient justification or a solution. Consequently, it was sent back to the proposer for additional details. CG confirmed that the

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modification will not be treated as urgent but is expected to be presented at the August panel meeting.

7. In flight modification updates

12968. There were no in – flight modification updates for the Panel.

8. Workgroup Reports

12969. No Workgroup Reports were presented to the Panel.

9. Draft Final Modification Reports

12970. There were no Draft Final Modification Reports presented to the Panel.

10. Discussion on Prioritisation

12971. The Panel agreed that ahead of carrying out a deep dive of the prioritisation stack it would be useful to have some guidance from Ofgem on which parts of the CUSC the industry should avoid. The Chair suggested giving the Authority some time to provide their thoughts, and as such, the Panel agreed to move the review of the prioritisation stack to the August Panel meeting.

The latest prioritisation stack can be found [here](#).

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

12972. DA informed Panel that the July TCMF meeting was cancelled. The next meeting will be held on 07 August.

12. European Updates

Joint European Stakeholder Group (JESG)

12973. GG confirmed that the JESG meeting was held on 08 July. The meeting material can be found using the following link:

<https://www.neso.energy/calendar/joint-european-stakeholder-group-jesg-08-july-2025>

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GG confirmed the next JESG meeting will be held on 09 September 2025.

13. Update on other Industry Codes

12974. The Panel papers and Headline Report for the following meetings can be found at the below links:

- 24 July 2025 Grid Code Review [Panel Papers and Headline Report](#)
- 29 July 2025 SQSS [Panel Papers and Headline Report](#)
- 30 July 2025 STC [Panel Papers and Headline Report](#)

12975. CG advised the Panel that [GC0117](#): Improving transparency and consistency of access arrangements across GB by the creation of a pan-GB commonality of Power Station requirements was sent back by the Authority and further discussions will be held with the Proposer on next steps.

12976. CG advised that [GC0183](#): Generator and Interconnector Availability During a Severe Space Weather Event, was raised as an urgent modification and the Authority decision on urgency is expected by 28 July 2025. **(Post meeting note: GC0183 was granted urgency by the Authority).**

14. Relevant Interruptions Claim Report

12977. CG advised the Panel that an updated version of the report will be circulated to the Panel when the updates have been made by the relevant team.

15. Governance

12978. No further updates for the Panel.

16. Horizon Scan

12979. No further updates for the Panel.

17. Code Administrator Update

12980. No further updates for the Panel.

18. Any Other Business (AOB)

12981. No AOB raised by Panel Members.

19. Close

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12982. 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 22 August.

New Modification Proposals to be submitted by 07 August.

CUSC Panel Papers Day is 14 August.