

Public

CUSC Panel

Friday 31 October 2025

In-person Faraday House, Warwick

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

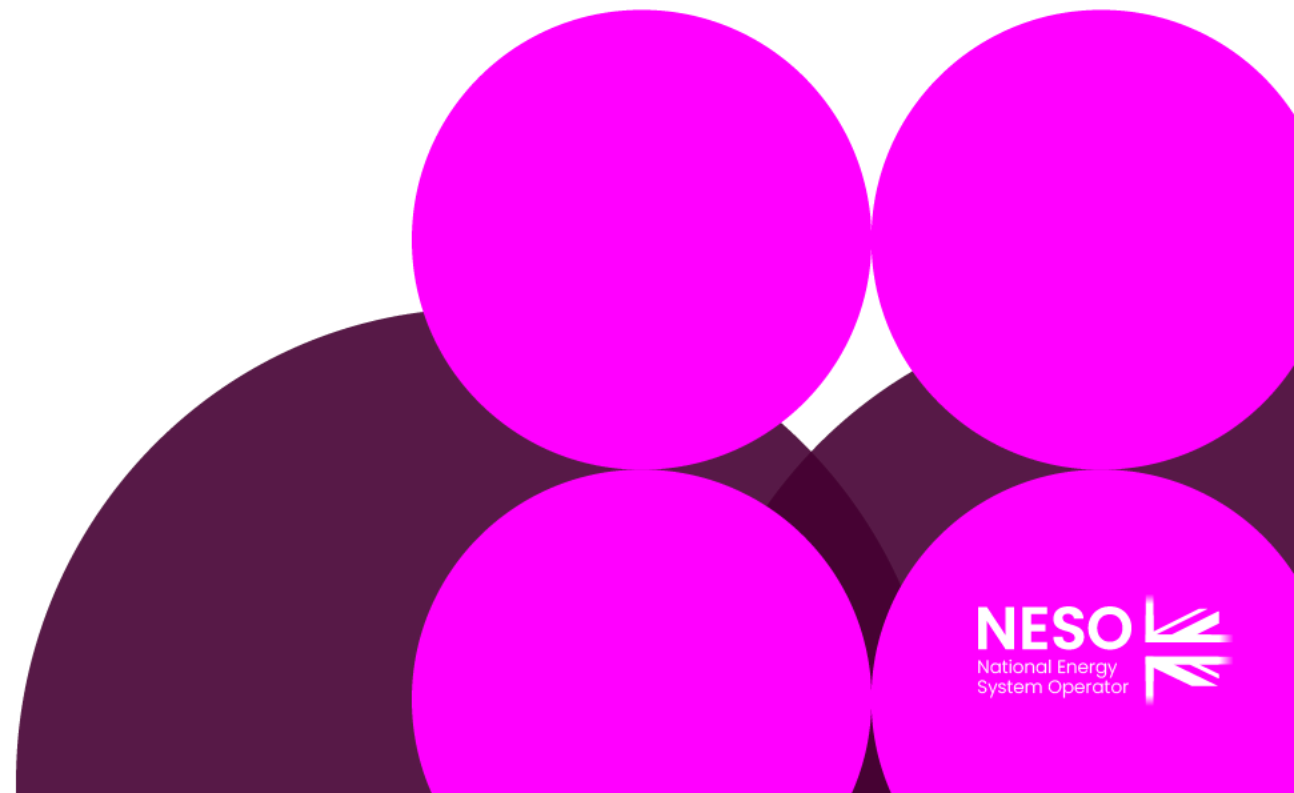
Approval of Panel Minutes from the meeting held on 03 September and 19 September 2024

Action Log

Review of Action Log:

- Action 182
- Action 184
- Action 185
- Action 186

Chair's Update



Authority Decisions and Update (as at 23 October 2025)

Decisions Received since last Panel Meeting

Modification	Decisions	Implementation Date
CMP444 'Introducing a cap and floor to wider generation TNUoS charges'	23 October 2025	N/A

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 pending update on REMA (previously 07 February 2025)
CMP316 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	October 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
CMP344 'Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology'	09 July 2025	31 October 2025
CMP397 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	October 2025
CMP432 'Improve "Locational Onshore Security Factor" for TNUoS Wider Tariffs'	15 May 2025	October 2025
CMP447 'Removal of designated strategic works from cancellation charges/securitisation'	21 October 2025	November 2025
CMP448 'Introducing a Progression Commitment Fee to the Gate 2 Connections Queue'	04 July 2025	November 2025

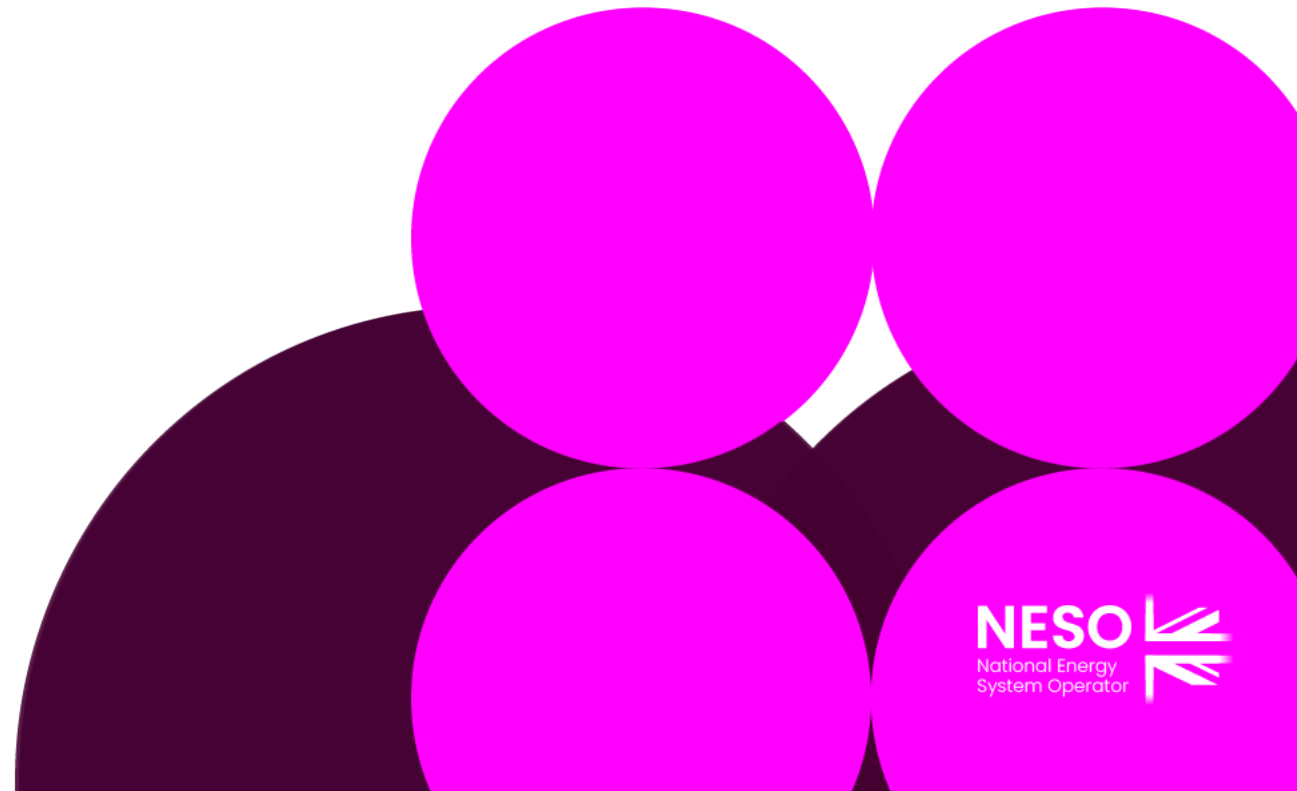
The Authority's publication on decisions can be found on their website below:

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

New Modification

CMP461: Rectifications to Legal Text
following various implementations

Tammy Meek, NESO



CMP461 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
Inclusion of the words 'minor legal text errors'	Proposer accepted the amendment.

Solution

The changes proposed will correct minor typographical and formatting errors within the CUSC Legal Text documents.

The corrections have been made to the following legal text:

- • CMP434: Section 6
- • CMP435: Section 11 and Exhibit D
- • CMP443: Section 4, Section 6, Exhibit O Part 2B and Exhibit O Part 1C
- • CMP454: Section 11
- • NESO Internal Review: Section 3, Section 4 and Section 11

CMP461 Proposed Timeline

Milestone	Date
Panel decision <i>Unanimous Panel agreement is needed for this to be implemented; otherwise Panel will agree a different governance route</i>	31 October 2025
Appeals Window (15 Business Days)	10 November 2025 – 01 December 2025
Implementation Date (5 Business Days after closure of Appeals Window if no Appeals received)	08 December 2025

CMP461 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect, scope and solution
- **AGREE** that this Modification should follow Fast Track Self-Governance Criteria (Panel decision, which must be unanimous)
- **NOTE** the proposed timeline and that this Modification will be implemented upon conclusion of the Appeals window (if no objections are received from industry)

CUSC Fast Track Criteria

“Fast Track Criteria”

a **CUSC Modification Proposal** that, if implemented,

(a) would meet the **Self-Governance Criteria**; and

(b) is properly a housekeeping modification required as a result of some error or factual change, including but not limited to:

(i) updating names or addresses listed in the **CUSC**;

(ii) correcting any minor typographical errors;

(iii) correcting formatting and consistency errors, such as paragraph numbering; or

(iv) updating out of date references to other documents or paragraphs .

CUSC Self-Governance Criteria

“Self-Governance Criteria”

a **CUSC Modification Proposal** that, if implemented,

(a) is unlikely to have a material effect on:

(i) existing or future electricity consumers; and

(ii) competition in the generation, distribution, or supply of electricity or any commercial activities connected with the generation, distribution or supply of electricity; and

(iii) the operation of the **National Electricity Transmission System**; and

(iv) matters relating to sustainable development, safety or security of supply, or the management of market or network emergencies; and

(v) the **CUSC**'s governance procedures or the **CUSC**'s modification procedures, and

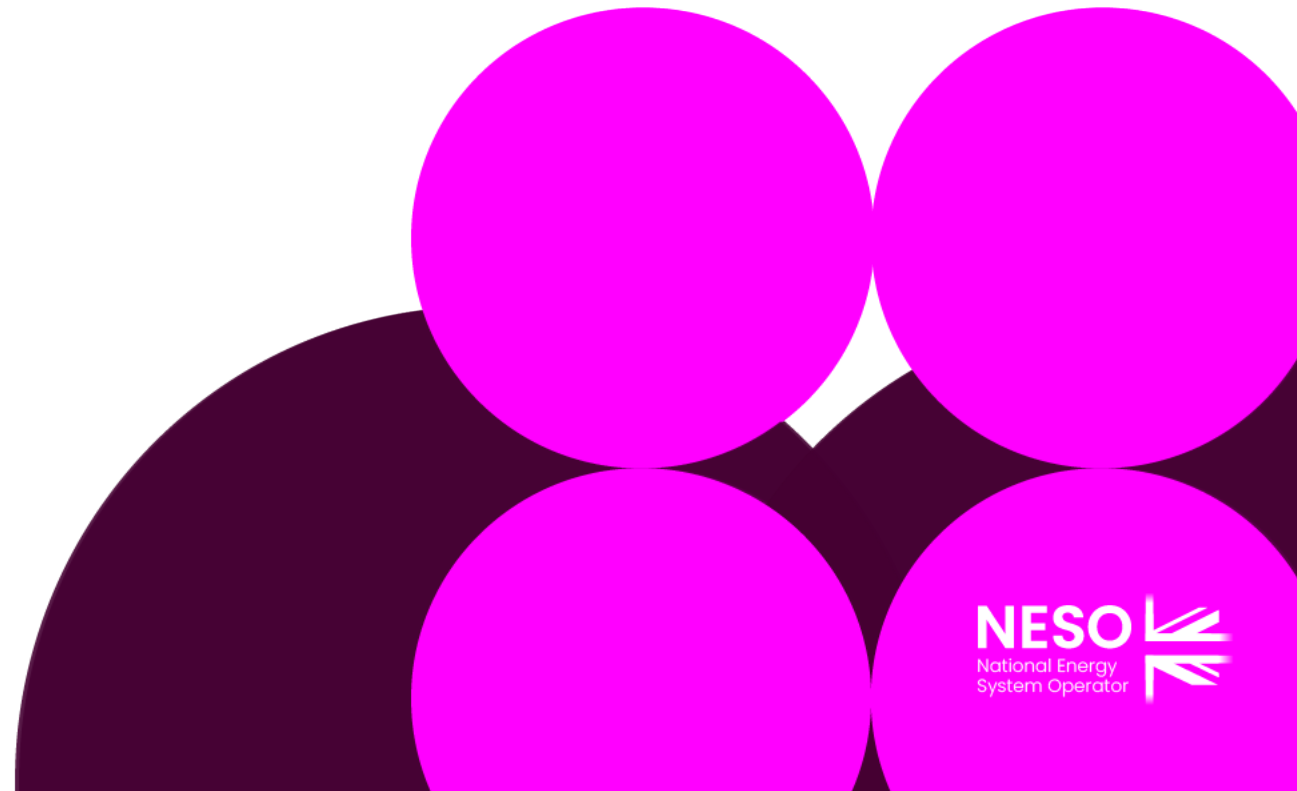
(b) is unlikely to discriminate between different classes of **CUSC Parties**;

c) other than where the modification meets the **Fast Track Criteria** will not constitute an **EBGL Amendment**.

New Modification

CMP462: Provision for Alternate
Panel Members

Niall Coyle, NESO



CMP462 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
Confirmation of implementation date	Proposer confirmed

What is the issue?

The 2025 CUSC Panel Election did not result in the election of Alternate Members for the CUSC Panel, as sufficient nominations were not received during the Elections Process.

The election resulted in the nomination of the minimum of 7 Panel Members; therefore no Alternate Members were elected.

Alternate Members are an important part of a fully operational and functioning CUSC Panel as they replace Panel Members when they are unable to attend CUSC Panel meetings. For quoracy purposes, six Panel Members are required to hold a quorate Panel meeting

Why Change?

At the time of raising this proposal, there have been 37 CUSC Panel meetings in 2025 so far.

Without Alternate Panel Members, the risk of meetings being inquorate increases significantly, meaning that a substantial number of scheduled meetings could fail to proceed effectively.

This would not only inhibit progress of CUSC Modification Proposals and other critical Panel business but also create ongoing uncertainty and disruption for industry parties who rely on timely and robust governance procedures.

Proposed Solution

We propose to introduce provision within CUSC Annex 8A for the Code Administrator to run an expedited Alternate Election Process where the CUSC Election Process has not resulted in the election of Alternate Panel Members.

This annex already details an Alternate Election Process to be followed on the resignation of an Alternate Member, or promotion of an Alternate Member to replace a resigning Panel member. This solution would extend this provision to cover the scenario where a lack of nominations results in no Alternate panel members being elected.

The solution also clarifies the timetable for an expedited process to be followed, with a minimum 1 week each for nominations and voting.

Legal Text

The draft legal text contains the addition of a new clause to Paragraph 8A.2.2.5:

“Where the election has resulted in zero (0) Alternate Members, Alternate Members shall be elected in accordance with the Alternate Election Process as set out in Paragraph 8A.4.4.”

8A.4.4 has been amended to include the scenario where the election process has not resulted in the election of Alternate Members:

“Where there are no Alternate Members in office following an election, as set out in 8A.2.2.5, Alternate Members shall be elected in accordance with Paragraphs 8A.2, 8A.3 and subject to the following paragraphs 8A.4.4.3 to 8A.4.4.5 (inclusive) (the “Alternate Election Process”).”

8A.4.4.5 has been amended to set out the minimum timelines for the expedited Alternate Election Process:

“The timetable for the Alternate Election Process shall be expedited and the Code Administrator shall prepare a timetable accordingly, setting out:

(a) the date by which nominations of candidates are to be received, which shall not be less than one (1) week after the timetable is circulated;

(b) the date by which the Code Administrator shall circulate a list of candidates and voting papers;

(c) the date by which voting papers are to be submitted, which shall not be less than one (1) week after the date for circulating voting papers;

(d) the date by which the results of the election will be made known.”

Public Proposer's Justification vs Ofgem's Urgency Criteria

The Proposer recommends that this modification should be treated as an Urgent Modification proposal and proceed directly to Code Administrator Consultation.

Ofgem's Urgency Criteria	Proposer's Justification
a) A significant commercial impact on parties, consumers or other stakeholder(s).	This is due to the risk presented by a possible lack of quoracy at CUSC Panel meetings, which could have a serious impact on the progress of CUSC Modification Proposals, particularly for those where Special Panel meetings are required at short notice.
b) A significant impact on the safety and security of the electricity and/or gas systems.	N/A
c) A party to be in breach of any relevant legal requirements	N/A

CMP462 Asks of Panel

- **AGREE** that this Modification has a clearly defined defect, scope and solution
- **AGREE** that this Modification should proceed directly 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
- **VOTE** whether or not to recommend Urgency
- **AGREE** timetable for Urgency
- **NOTE** next steps:
 - Under CUSC Section 8.24.4, we will now consult the Authority as to whether this Modification is an Urgent CUSC Modification Proposal
 - Letter to be sent to Ofgem 31 October 2025
 - Ofgem approval of Urgent treatment sought by 5pm on 05 November 2025
 - Code Administrator Consultation to be run from 06 November – 20 November 2025

CMP462 Proposed Urgent Timeline

Milestone	Date	Milestone	Date
Modification presented to Panel	31 October 2025	Final Modification Report issued to Panel to check votes recorded correctly	12 December 2025
Ofgem grant Urgency Ideally maximum of 3 Business Days from date presented to Panel	05 November 2025(5pm)	Final Modification Report issued to Ofgem	12 December 2025
Code Administrator Consultation (10 Business Days)	06 November – 20 November 2025	Ofgem decision	TBC
Draft Final Modification Report (DFMR) issued to Panel (5 Business Days)	04 December 2025	Implementation Date	5 Business Days following Authority Decision
Panel undertake DFMR recommendation vote	12 December 2025		

Inflight Modification Updates

- [CMP417:](#) Extending principles of CUSC Section 15 to all Users
- [CMP440:](#) Re-Introduction of Demand TNUoS locational signals by removal of the zero price floor

CMP417 'Extending principles of CUSC Section 15 to all Users'

Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	20 March 2026	14 May 2026	03 June 2026	TBC	10 Business Days following Authority Decision
New timeline	18 June 2026	20 August 2026	07 September 2026	TBC	As above

Rationale: Development of the solution and legal text

Workgroups Remaining: 7

CMP417 – the asks of Panel

- **AGREE** revised timeline

CMP440 'Re-Introduction of Demand TNUoS locational signals by removal of the zero price floor' Timeline Update

	Workgroup Report issued to Panel	DFMR issued to Panel	FMR issued to Ofgem	Decision Date	Implementation Date
Previous timeline	21 November 2025	22 January 2026	10 February 2026	30 September 2026	01 April 2027
New timeline	04 December 2025	19 February 2026	13 March 2026	30 September 2026	01 April 2027

Rationale: Timeline requires updating due to a lack of Proposer availability to complete the Workgroup phase.

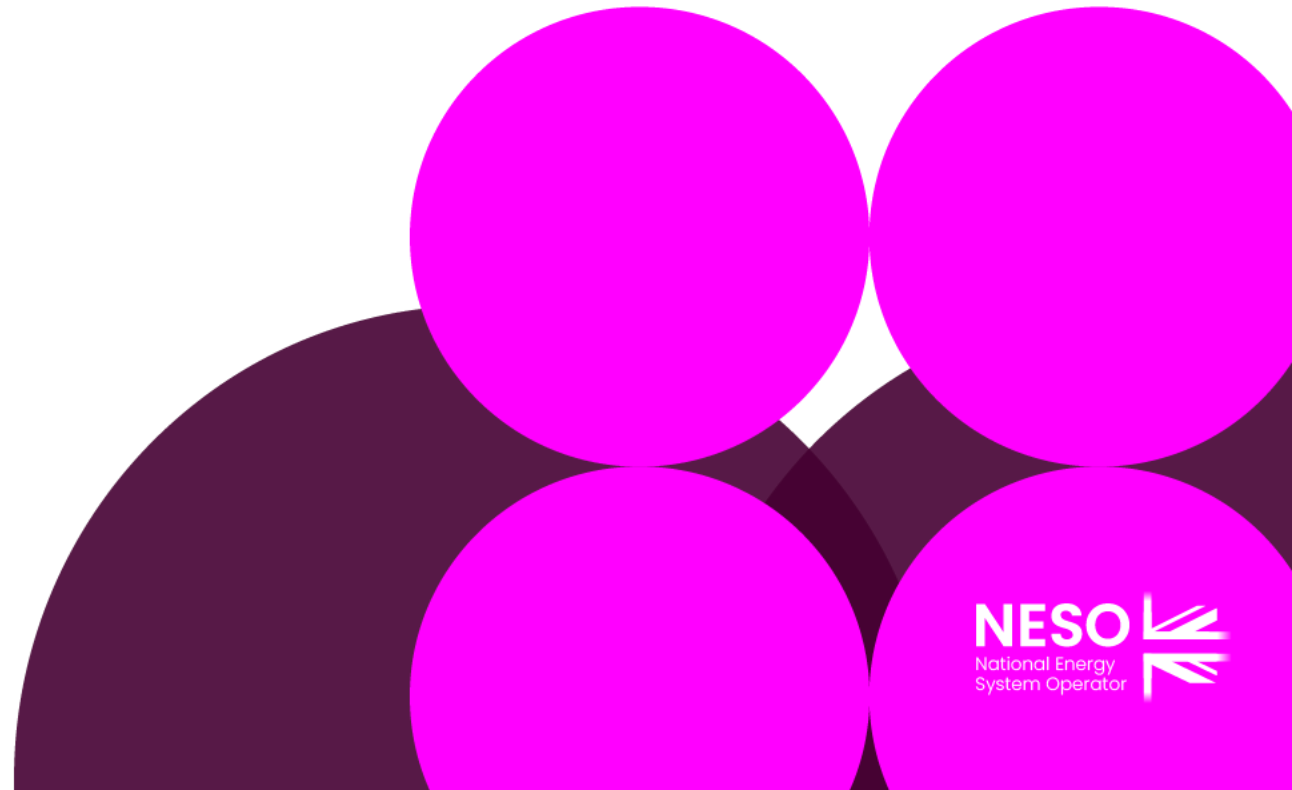
Workgroups Remaining: 2

CMP440 – the asks of Panel

- **AGREE** revised timeline

Panel Modification Tracker

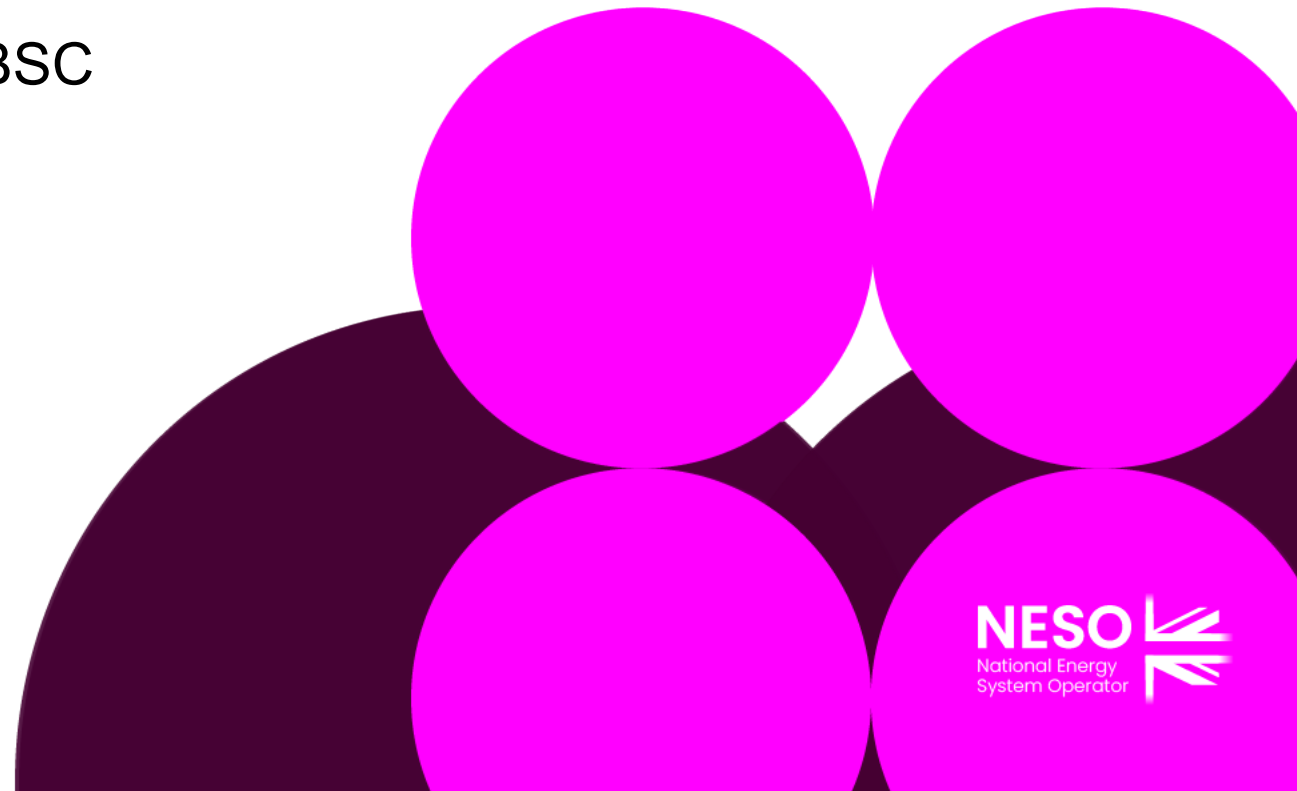
Catia Gomes, Code
Administrator



Draft Final Modification Report

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

Catia Gomes, Panel Secretary



Solution

Summary of solution:

Proposer's Original solution

- Where a demand BMU forms part of a transmission connected Trading Unit, BSUoS will be billed on a net basis, i.e. when the total site is importing it will pay BSUoS, but when it is exporting it will not.
- If the trading unit is importing energy within a 30-minute period, it will pay BSUoS based on its net flows. If it is exporting, it will pay no BSUoS.
- The BSUoS charges will be allocated to the same registrants as prior to the change. The only difference will be they will be charged on a net basis rather than a gross basis.

Code Administrator Consultation Responses

Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 29/09/2025 to 20/10/2025 and received no responses.

Further Points of Consideration

- Do Panel members want to raise any further points of consideration for the modification before the vote takes place?

CMP453 Asks of Panel

- **NOTE** that this Modification does not impact the Electricity Balancing Regulation (EBR) Article 18 terms and conditions held within the CUSC?
- **VOTE** whether or not to recommend implementation
- **NOTE** next steps

CMP453 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	03 November 2025
Submission of Final Modification Report to Ofgem	11 November 2025
Ofgem decision date	TBC
Implementation Date	01 April 2026

EBR Article 3 Objectives

For reference, the Electricity Balancing Regulation (EBR) Article 3 (Objectives and regulator aspects) are:

1. This Regulations aims at:

1. Fostering effective competition, non-discrimination and transparency in balancing markets;
2. enhancing efficiency of balancing as well as efficiency of national balancing markets;
3. integrating balancing markets and promoting the possibilities for exchanges of balancing services while contributing to operational security;
4. contributing to the efficient long-term operation and development of the electricity transmission system and electricity sector while facilitating the efficient and consistent functioning of day-ahead, intraday and balancing markets;
5. ensuring that the procurement of balancing services is fair, objective, transparent and market-based, avoids undue barriers to entry for new entrants, fosters the liquidity of balancing markets while preventing undue market distortions;
6. facilitating the participation of demand response including aggregation facilities and energy storage while ensuring they compete with other balancing services at a level playing field and, where necessary, act independently when serving a single demand facility;
7. facilitating the participation of renewable energy sources and supporting the achievement of any target specified in an enactment for the share of energy from renewable sources.

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 – Cancelled [Meeting materials and Headline Report](#)
- Next meeting – 06 November 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 – 14 October 2025 [Meeting materials and Headline Report](#)
 - Next meeting – 11 November 2025

Updates on other industry codes

21 October 2025 Special CUSC [Panel Papers and Headline Report](#)

25 September 2025 Grid Code Review [Panel Papers and Headline Report](#)

24 September 2025 STC [Panel Papers and Headline Report](#)

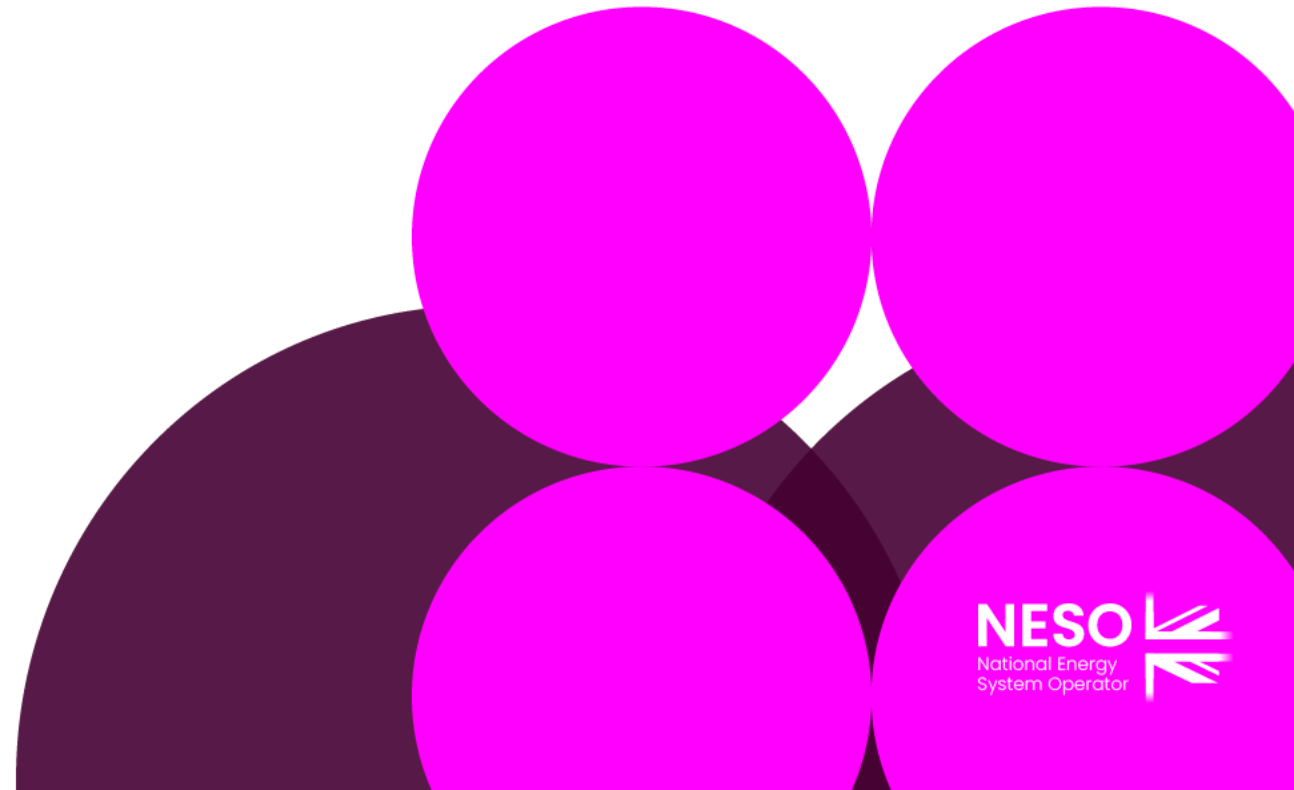
18 September 2025 Special Grid Code Review [Panel Papers and Headline Report](#)

BSC Updates– RR

DCUSA Update – KH

Relevant Interruptions Claim Report

(January, April, July, October)



Any other business

- Discussion on the Role of CUSC Panel

Activities ahead of the next Panel Meeting

Transmission Charging Methodologies Forum	06 November 2025
Modification Proposal Deadline for November Panel	13 November 2025
Papers Day	20 November 2025
Panel Meeting	28 November 2025 Teams

Close

Anthony Pygram
Independent Chair,
CUSC Panel