

Public

# CUSC Panel

Friday 28 November 2025

Microsoft Teams Meeting



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

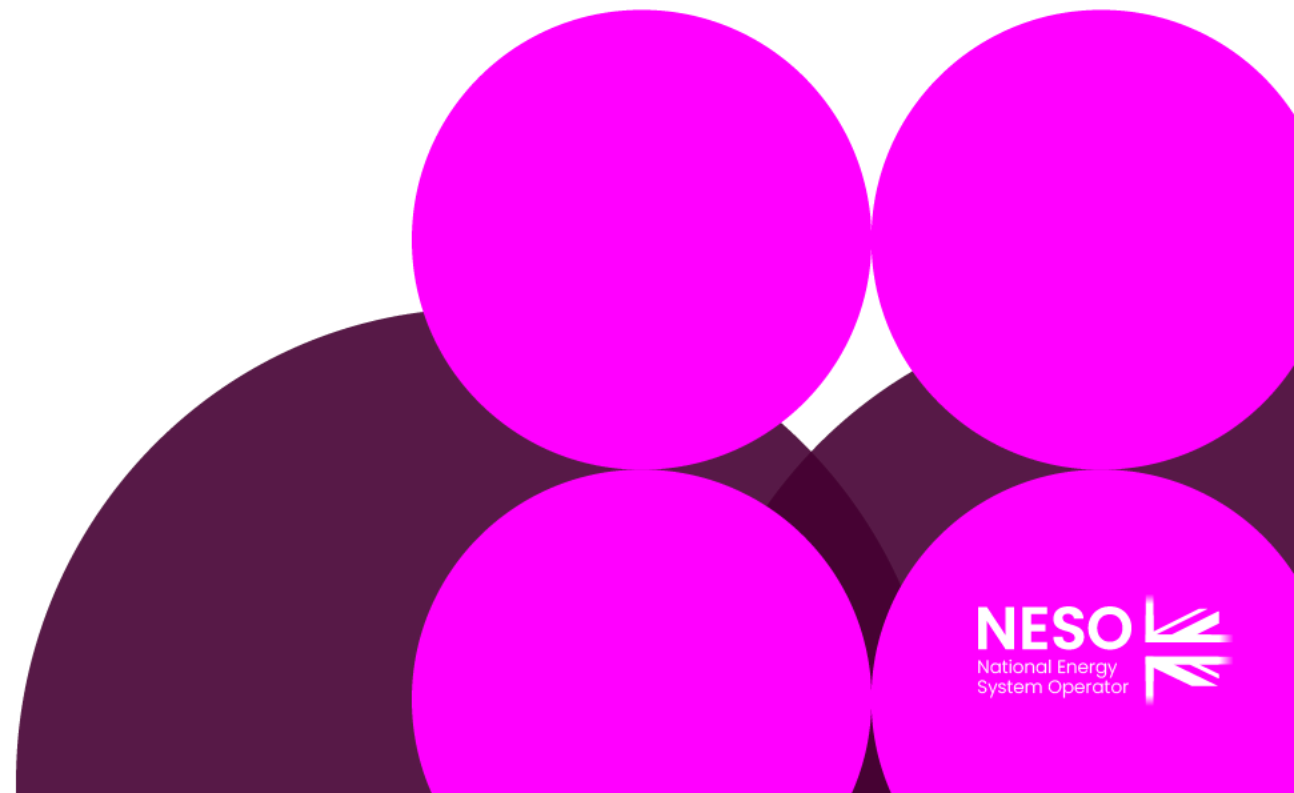
Approval of Panel Minutes from the meeting held on 26 September, 21 October and 31 October 2025

## Action Log

### Review of Action Log:

- Action 182
- Action 184
- Action 185
- Action 186
- Action 187

## Chair's Update



# Authority Decisions and Update (as at 20 November 2025)

## Decisions Received since last Panel Meeting

Modification	Decisions	Implementation Date
<b>CMP432</b> 'Improve "Locational Onshore Security Factor" for TNUoS Wider Tariffs'	07 November 2025	N/A (rejected).

## Decisions Pending

Modification	Final Modification Report Received	Expected Decision Date
<b>CMP315</b> 'TNUoS Review of the expansion constant and the elements of the transmission system charged for' and <b>CMP375</b> 'Enduring Expansion Constant & Expansion Factor Review'	07 February 2024	TBC pending update on REMA (previously 07 February 2025)
<b>CMP316</b> 'TNUoS Charging Methodology for Co-located Generation'	08 August 2025	10 December 2025 (previously October 2025)
<b>CMP330&amp;CMP374</b> '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
<b>CMP344</b> 'Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology'	09 July 2025	10 December 2025 (previously October 2025)
<b>CMP397</b> 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	10 December 2025 (previously October 2025)
<b>CMP447</b> 'Removal of designated strategic works from cancellation charges/securitisation'	21 October 2025	November 2025
<b>CMP448</b> 'Introducing a Progression Commitment Fee to the Gate 2 Connections Queue'	04 July 2025	November 2025
<b>CMP453</b> 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	TBC

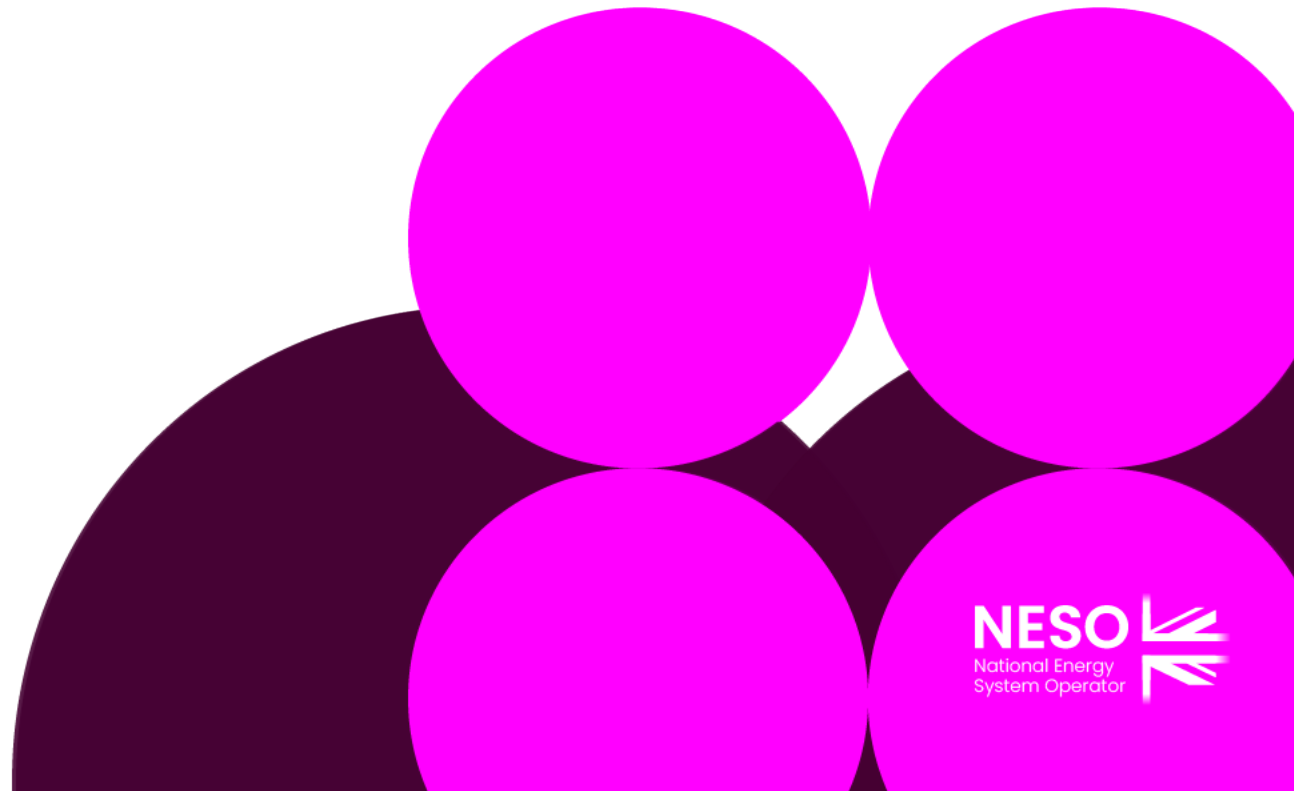
The Authority's publication on decisions can be found on their website below:

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

# New Modification

CMP464: Section 14 Corrections

Aishwarya Harsue, NESO





# CMP464 Critical Friend Feedback

Code Administrator comments	Amendments made by the Proposer
<ul style="list-style-type: none"><li>• Added acronyms to the Key Term Table.</li><li>• Added the Annex table.</li><li>• Recommended matching font update.</li><li>• Recommended clearer wording and use of capital letters in the "What is the issue" section.</li><li>• Corrected spelling errors.</li></ul>	Accepted suggestions.

# CMP464 Proposed Fast Track Self Governance 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>	28 November 2025
Appeals Window (15 business days)	03 December 2025 to 5pm on 24 December 2025
Implementation Date (10 business days after closure of Appeals Window if no Appeals received)	07 January 2025

# Background: CUSC Corrections

## Three different pieces of work to be aware of:

### **Section 14 corrections (October Panel, implemented on 11 November)**

No mod required as updates aligned Section 14 with previously approved Authority decisions.

Examples include:

- 14.15.89 Updated to reflect approved CMP357 WACM2
- 14.17.34 Updated to reflect changes implemented by CMP384
- 14.18.7 Correction to the Conventional Carbon TNUoS equation (aligns with approved legal text under CMP317/327 (Original))
- 14.32.9 Missing part of SGQM definition reinstated (aligns with approved legal text for CMP308)

### **CMP461 – Rectifications to Legal Text (Raised at October Panel and given self-governance fast-track route)**

This proposal corrects non-Section 14 legal text errors and formatting following recent implementations

### **CMP464**

A separate mod raised to address further Section 14 housekeeping changes.

# CMP464: Overview

Seeks to address minor errors and formatting issues in Section 14 of the CUSC.

## **Proposed changes include:**

- Formatting corrections (Text alignment, bolding of defined terms, Equation formatting)
- Paragraph numbering corrections, particularly from 14.15.137 onwards and cross-references errors
- Text clarifications for easier interpretation
- Minor grammatical updates

## **Why is the change needed?**

- Improve readability and to ensure that Users are able to identify the correct cross-referenced paragraphs included throughout section 14.

# Governance Route

## Fast-Track Self Governance Route

### **Rationale for the proposed governance route:**

- All proposed corrections have been reviewed and validated internally by NESO legal
- Changes proposed by this mod will improve clarity when reading the CUSC
- Minimal impact on parties to the CUSC and NESO
- The proposed legal text is available with full tracked changes
- Given the nature of the proposed changes, we believe the most appropriate governance route is Fast-Track Self Governance



# CMP464 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**.

## Inflight Modification Updates

- [CMP460](#): Improving Transmission Connection Asset Charging

# CMP460: Improving Transmission Connection Asset Charging 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)	<b>Ensure</b> Consider the solution is aligned with the outcomes of the DCUSA DCP461 Workgroup and any other related DCUSA changes, where practical.
c)	Consider coordination with TOs to revise construction agreements.
d)	Consider alignment with end-to-end connections review.
e)	Consider alignment with the wider regulatory reforms for network charging.
f)	Consider the interaction with distribution and transmission business plans and the ability for TOs <b>and DNO's</b> to secure funding for any works.
g)	Consider the incentives for Users to invest efficiently, in particular with regard to the cost signals provided to Users from the charging methodology.
h)	Consider the impacts of socialised costs on consumers and other parties.

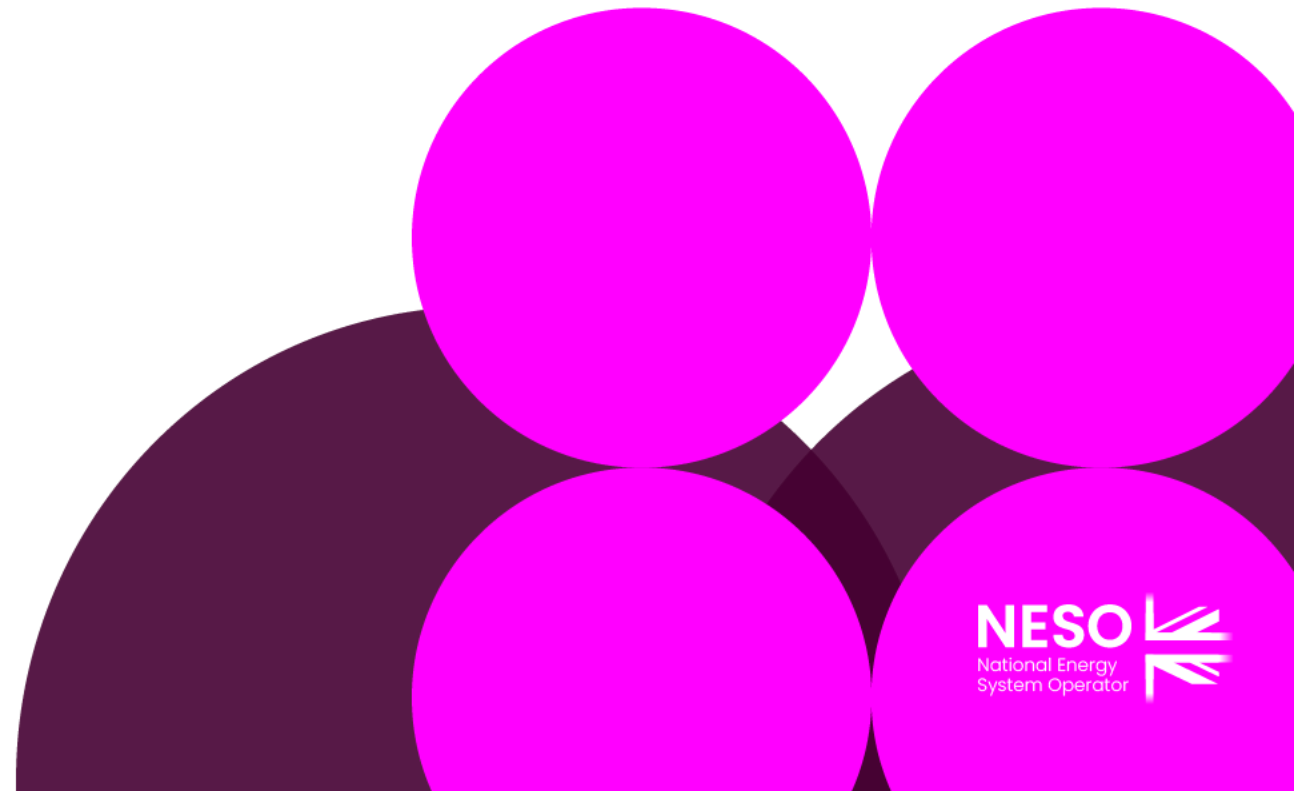
## CMP460- the asks of Panel

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



## Panel Modification Tracker

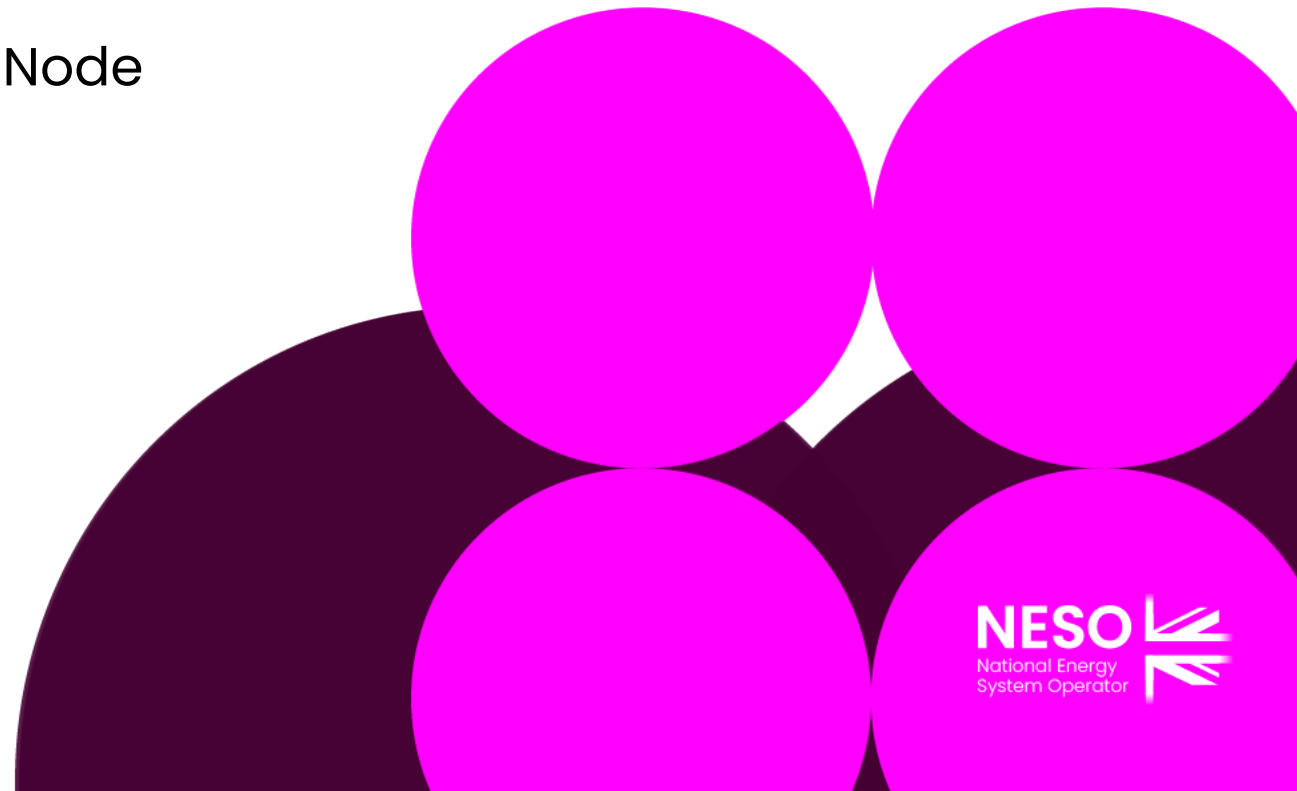
Catia Gomes, Code  
Administrator



# Draft Final Modification Report

**CMP423:** Generation-weighted Reference Node

Catia Gomes, Panel Secretary



# Solution

This modification seeks to change the reference node from Demand-weighted to generation-weighted.

# Code Administrator Consultation Responses

## Summary of Code Administrator Consultation Responses:

Code Administrator Consultation was run from 09 October 2025 to 31 October 2025 and received eleven non-confidential responses and one confidential response.

Key points were:

- The following numbers of respondents believed the objectives were better facilitated by the Original Proposal than the Baseline: Eight for d), eight for e), three for f), two for g) and two for h).
- Eight respondents preferred the Original solution, and three respondents preferred the Baseline.
- Ten out of eleven respondents supported the implementation approach. Two of these respondents stated it should not be implemented earlier than 1 April 2027 to allow parties sufficient time to account for the resulting impacts on tariffs.
- All respondents agreed with the Workgroup's assessment that the modification does not impact the Electricity Balancing Regulation.
- No legal text issues were raised.

# Further Points of Consideration

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



# CMP423 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

## CMP423 Next Steps

Milestone	Date
Final Modification Report issued to Panel to check votes recorded correctly (5 Business Days)	01 December 2025 to 08 December 2025
Submission of Final Modification Report to Ofgem	09 December 2025
Ofgem decision date	TBC
Implementation Date	01 April 2027

# EBR Article 3 Objectives

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

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

- Deep Dive on 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 – 06 November 2025 [Meeting materials and Headline Report](#)
- Next meeting – 20 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 – 11 November 2025 Meeting Cancelled
  - Next meeting – 09 December 2025

## Updates on other industry codes

29 October 2025 STC [Panel Papers and Headline Report](#)

30 October 2025 Special Grid Code Review [Panel Papers and Headline Report](#)

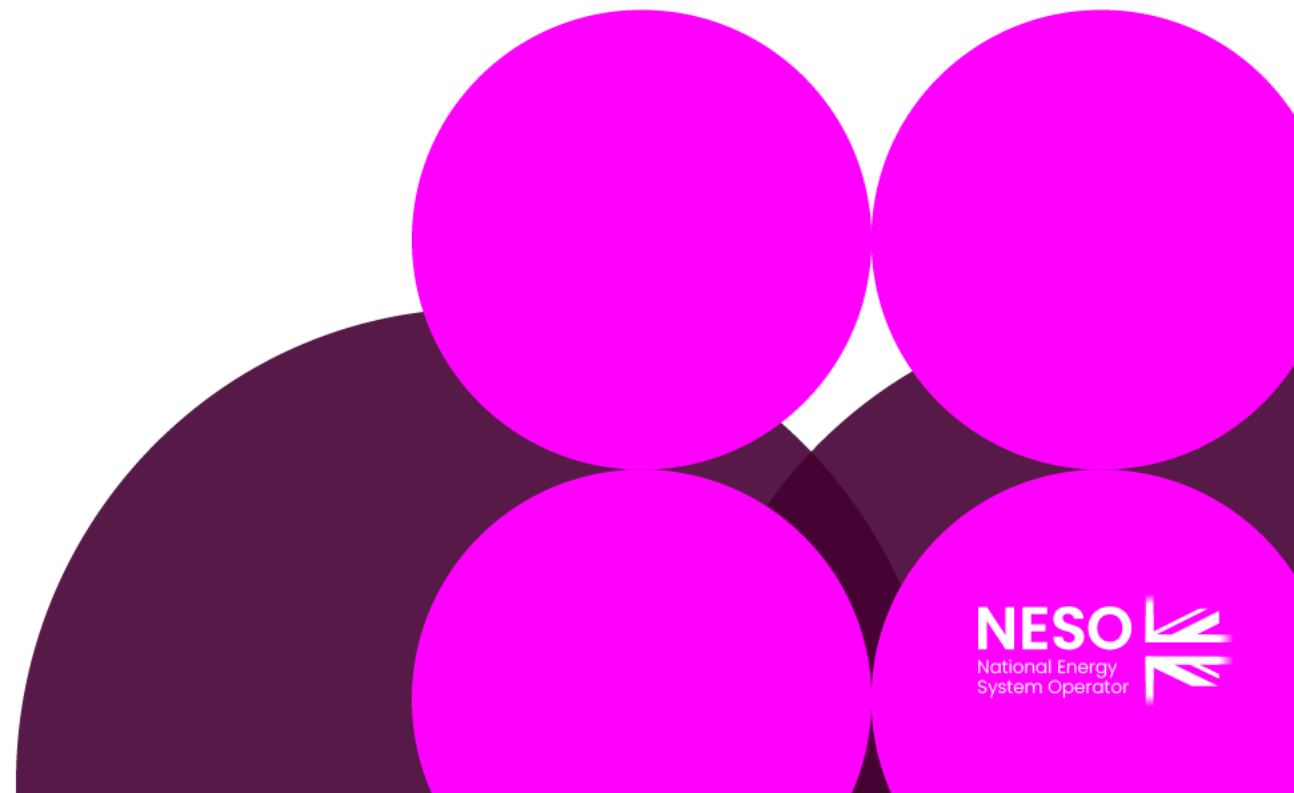
31 October 2025 Special SQSS Review [Panel Papers and Headline Report](#)

**BSC Updates– RR**

**DCUSA Update – KH**

## Horizon Scan

(February, May, August, November)



Lead Code	Industry	Codes Affected	Legislative, Regulatory or Industry Change Overview	Published Content	Key Contact	Last Update	Proposed Modifications Expected	Within 1 Year	Within 2 Years	Within 5 Years
CUSC	Electricity	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 &amp; 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><b>Nov-25: Holistic Network Design (HND) work has concluded that Code Mods are not required, due to the design decisions (i.e. radial). Further engagement required with interested parties of the West Coast projects. Offshore Hybrid Assets (OHA) work continues with Ofgem / DESNZ. We anticipate minimum 2 years for Code changes (from the time of initiating Mods).</b></p>	<a href="#">ESO Offshore Coordination Project Page</a>	<a href="mailto:box.OffshoreCoord@nationalenergyiso.co.uk">box.OffshoreCoord@nationalenergyiso.co.uk</a>	Feb-25	Mar-24			
Grid Code	Electricity	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><b>May-25:</b></p> <ul style="list-style-type: none"> <li>- STC Mod CM099 Replacement of Fax Machines: Implemented on 30 April 2024.</li> <li>- Grid Code Mod GC0175 Replacement of Fax Machines Mod: Implemented on 28 March 2025.</li> <li>- STCP Mod PM0144 Fax Machine (and e-mail): Implemented on 17 April 2025.</li> <li>- CUSC Mod CMP443 Fax Machine Mod: Implemented on 28 March 2025.</li> </ul>	<a href="#">Grid Code (GC) GC0175: Decision Letter</a> <a href="#">CMP443 Decision Letter</a> <a href="https://www.neso.energy/document/357266/download">https://www.neso.energy/document/357266/download</a>		May-25	Jun-24			

## Any other business

- [CMP432 Decision Letter](#): Feedback on Panel Voting

# Activities ahead of the next Panel Meeting

<b>Transmission Charging Methodologies Forum</b>	20 November 2025
<b>Modification Proposal Deadline for December Panel</b>	27 November 2025
<b>Papers Day</b>	04 December 2025
<b>Panel Meeting</b>	12 December 2025 Teams



# Close

Anthony Pygram  
Independent Chair,  
CUSC Panel