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CUSC Panel 2026

CUSC Panel Minutes

Meeting Number: 370

Date: 24/04/2026 **Location:** Faraday House/ Microsoft Teams

Start: 10:00 AM **End:** 1:30 PM

Participants

Attendee	Initials	Representing
Anthony Pygram	AP	Independent Panel Chair
Catia Gomes	CG	Panel Secretary Code Administrator Representative
Ren Walker	RW	Panel Technical Secretary (Code Administrator)
Andrew Enzor	AE	Users' Panel Member
Binoy Dharsi	BD	Users' Panel Member
Garth Graham	GG	Users' Panel Member
Joe Colebrook	JC	Users' Panel Member
Kyran Hanks	KH	Users' Panel Member
Lauren Jauss	LJ	Users' Panel Member
Alistair Owen	AO	NESO Panel Member Alternate
Nadir Hafeez	NH	Authority Representative
James Stone	JS	Authority Representative

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Apologies

Attendee	Initials	Representing
Dan Arrowsmith	DA	NESO Panel Member
Jacob Snowden	JSn	Elexon – Observer
Tom Lowe	TL	Consumers’ Panel Member
Shane Cracknell	SC	Users’ Panel Member

Presenters / Observers

Attendee	Initials	Representing
Matthew Dowds	MD	Proposer of CMP471
Muki Liu	ML	Proposer of CMP472
Joe Dunn	JD	Observer
Robert Hughes	RH	CMP417 Workgroup Chair
Vanessa Simpson	VS	Observer – NESO

1. Introductions, Apologies and Declarations of Interest

1. Apologies were received from Dan Arrowsmith, Jacob Snowden, Tom Lowe and Shane Cracknell.
2. Declarations of interest were noted by the following Panel members:
 - GG as Proposer of CMP469.
 - AO as he is employed by the organisation that raised CMP472.

2. Minutes from previous meeting

3. The meeting minutes from the CUSC Panel held on 27 March were approved.

3. Review of actions log

4. The CUSC Panel reviewed the action log:

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- Action 182: Action to remain open. CG and AP to have a meeting with TL and update the Panel in May.
- Action 193: Action to remain open. GG clarified that it should be the Chair of the Demand Expert Sub – Group Chair (Graham Lear), who should share updates with the CUSC Panel Chair. GG advised that NESO’s proposal to change BCA arrangements without a code change, particularly given the scale of data centre impacts, remains under consideration and will be revisited in May, with the minutes to be updated accordingly.
- Action 194: CG confirmed that she had provided feedback to the Proposer for their consideration. The Panel agreed for this action to be closed.

4. Chair’s update

5. AP confirmed there was no Chair’s update to provide to the CUSC Panel.

5. Authority Decisions

6. JS provided an update on modifications that have been decided upon, together with those currently awaiting their decision.

Awaiting Decisions

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 National Pricing Reform (previously 07 February 2025)
CMP316 ‘TNUoS Charging Methodology for Co-located Generation’	08 August 2025	May 2026 (previously April 2026)

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<u>CMP330&CMP374</u> '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
<u>CMP344</u> 'Clarification of Transmission Licensee revenue recovery and the treatment of revenue adjustments in the Charging Methodology'	09 July 2025	May 2026 (previously April 2026)
<u>CMP397</u> 'Consequential changes required to CUSC Exhibits B and D to reflect CMP316 (Co-located Generation Sites)'	12 June 2024	May 2026 (previously April 2026)
<u>CMP423</u> 'Generation-weighted Reference Node'	09 December 2025	TBC
<u>CMP453</u> 'To Bill BSUoS on a net basis at BSC Trading Units'	11 November 2025	September 2026

7. JS advised that no decisions have been made since the last Panel meeting due to ongoing considerations related to RNP, with a review planned before the next Panel following the CFI. JS stated that a decision on CMP344 is expected in early May, with CMP316 and CMP397 to follow; the indicative timing for these decisions was updated from March to May. CMP315 and CMP375 are more material and continue to be deferred pending further consideration alongside transitional and enduring arrangements arising from charging reforms.
8. JS confirmed that CMP316 and CMP397 decisions were also anticipated in May, while CMP315 and CMP375 remain deferred due to their more material and enduring charging impacts.
9. Some Panel members highlighted that it would be useful for industry to have some sort of planning and questioned if "minded-to" decisions could be

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published to allow for some form of direction. JS stated that any “minded-to” positions would require consultation and could further delay final decisions and that any decisions would need to consider interactions with wider reforms and impacts, rather than being taken in isolation.

Energy Code Reform

10. NH advised the Panel that on 02 April Ofgem published two consultations on energy code reform:

- Consultation on Phase 1: transitional measures and code changes. This sets out the key changes to the BSC and REC to implement the new licensed code manager governance framework and licence revocation terms and targeted transitional amendments. This consultation closes on 15 May 2026.
- Consultation on the draft second preliminary Strategic Direction Statement (SDS) for industry codes: This second preliminary SDS builds on the first version published in 2025. It retains the overall structure and approach, reflecting stakeholder feedback, providing an updated assessment on the policies and sector developments which may require code changes.
- Through this consultation, Ofgem are seeking views on: the proposed content of the SDS, including categorisation of policy areas against three different time horizons (‘act now’, ‘think and plan’ and ‘listen and wait’), whether any key areas that will or may require code changes are missing from Ofgem’s assessment, and Ofgem’s proposed approach to convert this SDS from a preliminary document to a hybrid document once certain codes are designated later in 2026.

11. NH advised that Ofgem expect to hold an industry workshop on 13 May during the consultation period to discuss the content of the second preliminary SDS. This consultation on second preliminary SDS closes on 28 May 2026.

12. NH stated that Ofgem expect to publish the second preliminary Strategic Direction Statement in September 2026 and a decision on the Prioritisation Harmonisation Process that was consulted on earlier this year, in May.

6. New modifications

CMP469: GC0186 Cost Recovery mechanism for CUSC Parties

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13. GG delivered a presentation on CMP469. GG explained that the GC0186 modification will place new obligations within the Grid Code, upon Connection and Use of System Code (CUSC) Parties who are not contracted with the National Energy System Operator (NESO) as Restoration Service Providers. Therefore, a one-year time extension of the codified cost recovery mechanism is required to prevent the affected parties being commercially disadvantaged by the implementation of the new obligations.
14. Concerns were raised by some Panel members about whether there was a clearly evidenced defect, with some members noting that costs may not arise in practice and that raising a cost recovery modification on a contingent basis could be considered tenuous. However, other Panel members highlighted that if costs were to arise under the current arrangements, generators would not be permitted to claim them, whereas CMP469 would enable recovery. It was also noted that waiting to see how GC0186 plays out could leave insufficient time to implement recovery arrangements if costs materialise.
15. The Panel also held discussions regarding the link between CMP469, GC0186 and GC0156, with Panel members noting that changes to interpretations or definitions under GC0186 could create misalignment with existing requirements under GC0156, particularly around endurance requirements and cold start obligations and considered CMP469 being contingent on GC0186 being approved.
16. The Panel by majority agreed that CMP469 should follow the Standard Governance route and proceed to Code Administrator Consultation. The Code Administrator Consultation opened on 27 April, and this will close on 19 May 2026.

CMP471: Interim Contract Variation Process Ahead of CMP434 Gated Application Window

17. MD delivered a presentation on CMP471. MD explained that this modification proposes a temporary, limited amendment to the CUSC allowing Users to adjust elements of their NESO contracts before the first CMP434 Gated Application Window.
18. Panel members noted concerns that some projects are unable to delay connection dates, potentially due to miscommunication rather than a clear CUSC defect. It was observed that TOs have statutory duties to offer the earliest possible connection date, which may not always align with project delivery programmes. Clarification was provided that the issues primarily relate to non-firm connections

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within protected dates, where wider reinforcement works cannot be delivered until later years, increasing the risk of security liabilities.

19. Discussions focused on whether the proposed solution would practically resolve the issue, including interactions with the Gate 2 process, acceptance of offers, and whether a modification application is necessary or if notification processes could suffice. Panel members questioned if NESO could confirm if the change could be done without a modification proposal. **ACTION.** It was also noted that similar outcomes might be achievable through changes to guidance or methodology, although it was suggested these routes may not be deliverable in the required timescales or may not sufficiently address security and liability provisions within the CUSC.
20. Several Panel members considered that the stated defect may be broader than the proposed solution and recommended narrowing and clarifying the defect and scope. There was debate over whether the issue constitutes a CUSC defect or could be addressed administratively without a code modification. The Panel did not reach agreement that the modification currently has a clearly defined defect and solution.
21. The Panel did not agree that the scope and defect of the modification was clear. The Panel redirected the modification back to the Proposer to review and amend the scope and re-submit for discussion at a Special CUSC Panel meeting.

CMP472: Large Embedded Generators Original Red Line Boundary Sharing Without Customer Consent

22. ML delivered a presentation on CMP472. ML advised that this modification seeks to introduce a new clause in Section 17 of the CUSC to permit NESO to share the Original Red Line Boundary (ORLB) submitted by Large Embedded Generators (LEGs) with the relevant DNOs without requiring explicit customer consent. This change enables DNOs to independently and consistently verify distribution contract validity for LEGs applying for Gate 2 offers, ensuring that only projects with compliant and valid distribution arrangements progress through the gated connections process.
23. Panel members discussed whether the scope should extend beyond LEGs, but clarification was provided by the Proposer that the issue relates specifically to CMP434 and that CMP435 applications would not be affected. It was noted that while industry participants are generally content for data to be shared, relying on

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consent mechanisms or application form wording could imply voluntariness, creating a potential loophole. The modification was therefore considered necessary to provide clarity in the CUSC.

24. The Panel unanimously agreed that CMP472 should follow the Standard Governance route and proceed to Code Administrator Consultation. The Code Administrator Consultation opened on 27 April and will close on 19 May 2026.

7. In flight modification updates

25. There were no in-flight modification updates for Panel.

The next Modification Tracker will be published on 07 May 2026.

8. Workgroup Reports

The following Workgroup Report was presented to the Panel.

CMP417: Extending principles of CUSC Section 15 to all Users

26. RH delivered a presentation on CMP417. RH explained that this modification seeks to extend the principles of CUSC Section 15 “User Commitment Methodology” to Users on Final Sums methodology, resulting in all Users being on the User Commitment Methodology. This would introduce equitable treatment across User groups and reduce barriers to entry as a User’s security amount would better reflect the transmission liabilities they impose should they cancel connection or reduce capacity.

27. RH advised the Panel that they key points to note from the Workgroup are as follows:

- Workgroup Report has been brought forward within the revised timelines agreed by the CUSC Panel. FMR to go to the Authority on 09 July, two months ahead of the original schedule.
- The solution will be to apply the principles of User Commitment Methodology to Demand securities and liability. This includes the application of sharing factors such as the Strategic Investment Factor and Local Asset Reuse Factor. This would ensure that Demand Users would only be liable for a proportion of the spend for assets which have a higher capability than their site alone requires.

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- Summary of Workgroup Vote: The Workgroup concluded unanimously (9 votes out of 9) that the Original better facilitated the Applicable Objectives than the Baseline.

28. The Panel agreed that the Terms of Reference have been met and agreed for CMP417 to proceed to Code Administrator Consultation. The Code Administrator Consultation will be published on 28 April, and this will close on 20 May 2026.

9. Draft Final Modification Reports

29. No Draft Final Modification Reports were presented to the Panel.

10. Discussion on Prioritisation

30. The Panel held a discussion on how the SDS changes will impact the Prioritisation stack. CG explained that the framework focuses on prioritising modifications primarily as high or standard, with urgency considered separately. CG also highlighted the need to align prioritisation with SDS and wider code reform activity.

31. The Panel considered different approaches to progressing high and standard priority modifications, noting the risk of fully pausing low priority work. Panel members shared their views on the constraints on Workgroup capacity and resourcing, and the challenges of scheduling clashes across codes and forums.

32. All Panel members were asked to individually rank the current 24 modifications (1–24 format) using the published prioritisation criteria, by 13 May, these rankings will be reviewed collectively at the next Panel meeting to agree a consistent approach to prioritisation going forward. **ACTION.**

33. The Panel made no changes to the prioritisation stack and will review this at the Panel meeting on 22 May. The current prioritisation stack can be found [here](#).

11. Standing Groups

Transmission Charging Methodology Forum (TCMF)

34. DA confirmed that the TCMF was held on 02 April. The meeting materials can be found via the following [link](#).

The next TCMF meeting will be held on 30 April.

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12. European Updates

Joint European Stakeholder Group (JESG)

35. GG advised that the JESG meeting scheduled for 14 April was cancelled.

The next JESG meeting will be held on 12 May.

13. Update on other Industry Codes

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

- 24 March 2026 SQSS [Panel Papers and Headline Report](#)
- 25 March 2026 STC [Panel Papers and Headline Report](#)
- 26 March 2026 Grid Code Review [Panel Papers and Headline Report](#)

14. Relevant Interruptions Claim Report

37. CG presented the Relevant Interruptions Claim report to the Panel. The Panel noted a claim remains unpaid after a significant amount of time (Claim 70) CG advised that the claim has been approved for payment; however, it is unclear whether payment has already been made or whether the report is incorrect. CG confirmed the issue will be escalated internally to clarify the status and report back.

15. Governance

38. No further updates for the Panel.

16. Horizon Scan

39. No further updates for the Panel.

17. Code Administrator Update

40. There were no updates for the Panel.

18. Any Other Business (AOB)

Energising Process Delays

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41. CG advised that Code Governance and NESO have been approached by an industry party regarding energisation process delays and has engaged with them, with some actions identified. CG stated that the issue has been directed to the Transmission Charging Methodology Forum (TCMF). AO noted that at this stage, NESO is gathering feedback to understand whether the issue is more widespread. It was agreed that the Panel would be informed if a modification proposal is raised.

19. Close

42. 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 May via Microsoft Teams.

New Modification Proposals to be submitted by 07 May.

CUSC Panel Papers Day is 14 May.