

## CISG Meeting Report

<b>Meeting name</b>	CUSC Issues Standing Group
<b>Date of meeting</b>	9 <sup>th</sup> March 2016
<b>Time</b>	14:00 – 15:00
<b>Location</b>	National Grid House, Warwick

<b>Name</b>	<b>Initials</b>	<b>Company</b>
Richard Smith	RS	National Grid (Chair)
Jo Zhou	JZ	National Grid (CISG Technical Secretary)
Adam Sims	AS	National Grid
John Brookes	JB	National Grid
Dena Barasi	DB	Ofgem
Simon Lord	SL	ENGIE
Peter Bolitho	PB	Waters Wye
Elizabeth Allkins	EA	OVO Energy
Guy Phillips	GP	EON
Lewis Elder	LE	RWE
Jonathan Davison	JD	Cornwall Energy
Kate Dooley	KD	Energy UK
Garth Graham	GG	SSE
James Anderson	JA	Scottish Power
Ian Fothergill	IF	SHE Transmission
Nicola Fitchett	NF	RWE
Lars Weber	LW	Neas Energy
Eamonn Bell	EB	Renewable UK
Mary Teuton	MT	VPI
Karl Maryon	KM	Haven Power
Tim Collins	TC	Centrica
George Douthwaite	GD	NPower
Colin Prestwich	CP	Smartest Energy

Agenda, presentations and supporting papers given at the TCMF/CISG meeting can be found at:  
<http://www2.nationalgrid.com/UK/Industry-information/System-charges/Electricity-transmission/Methodology-forum/>

CISG meeting minutes can be found at:  
[http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Standing-groups/CUSC-Issues-Standing-Group-\(CISG\)/](http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Standing-groups/CUSC-Issues-Standing-Group-(CISG)/)

## 1 Ongoing Modification Proposals – non-charging modifications – Jo Zhou

1. Ongoing and new CUSC modification proposals were presented with updates /information for each.

## 2 Statement of Works – Richard Smith

2. RS gave an update on work which was being done to revise the Statement of Works (SoW) Process. He outlined the work of the ENA SoW Working Group which included SO, TO and DNO representation with engagement with embedded generators through established ENA groups. RS indicated that the group had made some proposals which were currently subject to trials. These proposals include (1) SO making non-contractual planning limits available to DNOs, (2) schedule for each GSP with connected and contracted embedded generation, and (3) process for regular information exchange to update the schedule.
3. GG asked how often the planning limits are updated, and RS said the limits will be updated at least once per year, but could be updated at any time if there was a significant change (e.g. application for direct transmission connection). GG also asked whether market participants are able to know the limits, and will DNOs inform market participants once the schedule is updated. It was highlighted that transparency is needed to ensure certain market participants are not unduly disadvantaged.
4. LW asked whether the planning limits and schedules can be made public. RS mentioned that DNOs have already had in place heat maps showing the opportunity for embedded generation connection in various areas. In terms of information accessibility, consideration needs to be given between the heat maps and the schedules, in order to keep information in one place.

## 3 CISG survey and future agenda items –Richard Smith

5. RS presented the survey results on CUSC non-charging issues and asked how we should select which items to discuss and how discussions should be led. When an issue is discussed, how do we determine what to do next. i.e choosing not to proceed, placing on hold, discuss further, proceeding to CUSC mod, or passing the issue to another forum.
6. Participants were asked whether they would like to lead discussion on these issues in future CISG sessions, as these issues were picked up by customers who are familiar with each issue highlighted.
7. GG suggested that notes be taken and circulated after each discussion session, to help people understand what have been discussed, and why it is or is not taken forward.
8. LW stressed the importance of using CISG as a pre-modification forum to discuss issues. Even if an item is deemed not an issue, meeting notes should help people (who may not have been in the meeting) understand why it is not an issue. JB agreed that CISG output can help the National Grid code governance team understand there is an issue which may potentially lead to a CUSC modification.
9. SL pointed out that before proposing a CUSC modification, it may help by discussing the issues at the CISG forum with the industry, as the discussion may help clarify the view and exchange ideas.
10. GG noticed the CISG issues are ranked in terms of importance; however, it may also be worth considering whether there are any quick wins. GP asked whether there are any progresses with the Transmission Works Register. RS agreed to follow it up.

11. LW suggested that in each CISG session, time should be allowed for two of the CISG issues to be discussed. One of the issues, non-BM parties (and their treatment in the CUSC), has been the problem that faced by many embedded generators, and LW agreed to lead discussion on this issue in the next CISG session.
12. SL commented that one of the CISG issues, i.e. interconnector policy, may be addressed in the charging review, thus may not need to be addressed in the CISG forum. GG asked for clarification on the issue (according to previous meeting notes, it was suggested that interconnector policy is needed as they are both TSOs and users), and agreed to lead a discussion on this issue at the next CISG session.

#### **4 Discussion: Reference of balancing services in the CUSC –Adam Sims**

13. GG explained the issue of balancing services in the CUSC. It has been highlighted that some of the core balancing services like SBR(Supplemental Balancing Reserve) and DSBR (Demand Side Balancing Reserve) are not included in the CUSC. The suggestion was to make a reference to those balancing services in the CUSC, in order to extend contractual agreements to open governance. This way the certainty and consistency are ensured, and users can understand better the contractual arrangements.
14. SL noticed there may be a need to introduce new products in a timely manner, while code governance may not be suitable given the time constraints. Products like STOR (Short Term Operating Reserve), FFR(Firm Frequency Response) and fast reserve were created quickly to address the changing market condition. In addition, the procurement statement is in public domain (see the appendix) to ensure National Grid procure these products in an economic and efficient way, as per the licence conditions.
15. AS agreed with regards to licence condition, and informed that the monthly balancing services summary (MBSS) are published on National Grid's website. AS also agreed that there is a trade-off between open code governance and the needs to respond quickly to the market.
16. PB suggested that consideration can be given to include a “hook” in the CUSC, which refers to those balancing service products without stating details. A participant expressed that a forum between the industry and National Grid might enable the industry to design products, and that if these products prove to be efficient and economic, the authority may then approve them.
17. GG stated that in terms of commercial balancing service contracts, a “boilerplate” format is needed, and that templates can be made available to the public.
18. AS confirmed that the STOR, FFR and fast reserve contracts are “boilerplate” and that all the relevant users have the same generic contract clauses. The Outline Change Proposals (OCP) process is to engage the industry and to ensure transparency.
19. RS pointed out that there was an existing CUSC subgroup - the BSSG (Balancing Services Standing Group) which might be a more appropriate forum for this topic. AS agreed to take this issue and put it on the agenda for the next BSSG.

#### **6 AOB**

20. No AOB raised.

#### **7 Actions**

The following actions are summarised from the text above:

1. RS to give update on the Transmission Works Register in the next CISG meeting.

## 8 Next meeting

**Next meeting:** Wednesday 11<sup>th</sup> May 2016

**Time** : 1pm (following TCMF)

**Venue** : National Grid House Warwick

## 9 Appendix - Additional information for note 14

NGET's balancing service procurement guidelines for balancing services –  
<http://www2.nationalgrid.com/UK/Industry-information/Electricity-codes/Balancing-framework/Transmission-license-C16-statements/>

The standard terms and conditions for tendered services (FFR, Fast Reserve and STOR) can be found on the respective pages on the website:

FFR:

<http://www2.nationalgrid.com/UK/Services/Balancing-services/Frequency-response/Firm-Frequency-Response/>

STOR:

<http://www2.nationalgrid.com/uk/services/balancing-services/reserve-services/short-term-operating-reserve/>

Fast Reserve:

<http://www2.nationalgrid.com/UK/services/Balancing-services/Reserve-services/Fast-reserve/>