

Code Administrator Meeting Summary

Meeting Name: CMP363/CMP364 Workgroup 4

Date: 10 June 2021

Contact Details

Chair: Paul Mullen

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Proposer: Grahame Neale

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Key areas of discussion

- CMP363/364 seeks to clarify the TNUoS Demand Residual charging arrangements for transmission connected sites that have a mix of Final and non-Final Demand. In Ofgem's Target Cost Review (TCR), they directed that network demand residual charges should be charged to 'Final Demand Sites' and so CMP334 was raised to define what a 'Final Demand Site' which would then be applied to the TNUoS Demand Residual methodology that has been created under CMP340 and CMP343. CMP334 has been approved by Ofgem but Ofgem in their decision stated that sites that have a mix of Final and non-Final Demand had not been adequately covered - hence the raising of CMP363/364.
- CMP363/364 is only targeting Transmission connected sites and DCUSA arrangements will apply for distribution connected sites.
- The Workgroup agreed with the Chair's revised timeline given the comments received as part of the Workgroup Consultation and the fact that the Implementation Date is highly likely now to be 1 April 2023 (rather than 1 April 2022). In light of this, it is prudent to also factor in Ofgem decision on the suite of Transmission Demand Residual Modifications (expected end August 2021) before presenting Workgroup Report to Panel.
- The Chair summarised the key points raised in the Workgroup Consultation and Workgroup Members, who raised these responses, added further detail. In summary:
 - Majority supportive of the change and overall content that we have explored the right scenarios whilst noting that Sites could have a combination of these scenarios – one respondent thought it useful to show the impact of behind-the-boundary generation on final and non-final demand and another respondent asked how on-site

generation/storage output should be accounted for when assessing a site’s demand residual liability. The scenarios document will be updated accordingly;

- Mix of views as to whether to use the more “accurate” Settlement Metering vs Operational Metering and potential alternative here if Settlement Metering is included as part of the Original. A respondent and Workgroup Member stated that it would be prudent to do some cost comparisons here; however, the Workgroup noted that this would need to be high-level and reflect the key obligations as the cost could vary significantly across sites. The Workgroup noted that respondents can confidentially send numbers to Ofgem;
 - Concern that impractical to implement a consistent solution for transmission connected and distribution-connected Final Demand Sites as data at Distribution level is incomplete and there is no practical way of splitting the Maximum Import Capacity across Meter Point Administration Numbers, which opens up opportunities for gaming. This was flagged to the Ofgem representative on the Workgroup and they were asked to consider these comments that the Transmission and Distribution solutions will not be consistent with each other;
 - No Grid Code (although this will be verified with GCRP) and BSC changes expected; and
 - Some changes to consider in the legal text.
- Workgroup proposed the following alternative solutions based on the Original proposing to use “Settlement Metering” only:

Potential Alternative Solutions	Details
Request for Workgroup Alternative 1	Using Settlement Metering as the default with Operational Metering as a fallback where Settlement Metering isn’t practical or economical
Request for Workgroup Alternative 2	Using Operational Metering as the default noting that a Settlement Meter would qualify as an Operational Meter

Next Steps

What	Who?	When
Send invitations for all remaining Workgroups	Paul Mullen	Completed
Share agreed timeline to Dylan Townsend at Electralink	Paul Mullen	Completed
Issue revised legal text for Original and legal text for	Grahame Neale	By 5pm on 5 July 2021

Request for Workgroup Alternative 1 and 2		
Seek GCRP view as to whether or not there are Grid Code changes	Edda Dirks to draft – Complete Paul Mullen to seek and obtain GCRP feedback Complete	By meeting on 12 July 2021
Issue draft of Request for Workgroup Alternative 1	Grahame Neale	By 5pm on 5 July 2021
Issue draft of Request for Workgroup Alternative 2	Grace March	By 5pm on 5 July 2021
Next Meeting 12 July 2021 – review requests for Workgroup Alternatives including any cost comparisons between Settlement and Operational Metering, review legal text, review declarations guidance document and	All	12 July 2021

For further information, please contact Paul Mullen.