

# Meeting summary

## Transmission Charging Methodologies Forum and CUSC Issues Steering Group 125

Date: 7/07/2022 Location: MS Teams

Start: 10:30 End: 12:25

### Participants

Attendee	Company	Attendee	Company
Claire Huxley (CH)	NGESO (Chair)	Andrew Hemus (AH)	NGESO (Tech Sec)
Paul Mullen (PM)	NGESO Code Administrator (Presenter)	Neil Dewar (ND)	NGESO (Presenter)
Naomi De Silva (ND)	NGESO (Presenter)	Harvey Takhar (HT)	NGESO (Presenter)
Damian Clough (DC)	SSE (Presenter)	Nitin Prajapati (NP)	NGESO (Presenter)
Gareth Stanley (GS)	NGESO (Presenter)	Harriet Harmon (HH)	Ofgem
Garth Graham (GG)	SSE	Karen Thompson-Lilley (KTL)	NGESO
Nicola White (NW)	NGESO	Robert Longden (RL)	Cornwall Insight
Rustam Majainah (RM)	OVO Energy	Gavin Baillie	SSE
Heather Stratford (HS)	NGESO	Nicola Fitchett (NF)	RWE
George Moran (GM)	Centrica	Daniel De Wijze (DDW)	Renewable UK
Daniel Hickman (DH)	NGESO	Michelle Macdonald	SSE
Chris Wright (CW)	St Clements	Alex Aristodemou (AA)	NGESO
Kyran Hanks (KH)	Waters Wye	Chiamaka Nwajagu (CN)	Orsted
Coreen Campbell (CC)	SSE	Grahame Neale (GN)	NGESO
Graham Pannell (GP)	Fred Olsen	Matt Cullen (MC)	EON
Lorna Mitchell (LM)	SSE	George Douthwaite (GD)	IP Energised

Joseph Henry (JH)	NGESO	Gareth Stanley (GS)	NGESO
Ken Doyle (KD)	NGESO	Paul Youngman (PY)	Drax
Paul Jones (PJ)	Uniper Energy	Karl Maryon (KM)	Drax
Neil Bennett (NB)	SSE	Robert Newton (RN)	Zenobe
Ruth Roberts (RR)	NGESO	Banke John-Okwesa (BJO)	NGESO
Niall Coyle (NC)	EON	Nick George (NG)	NGESO
Jo Zhou (JZ)	NGESO	Davinder Sanghera (DS)	NGESO
Giulia Licocci (GL)	Ocean Winds	Ryan Ward (RW)	Scottish Power
Joseph Dunn (JD)	Scottish Power	Matthew Patrick (MP)	Ofgem
David Boyland (DB)	SSE	Jheaunelle Thomas (JT)	NGESO
James Stone (JS)	NGESO	Nitin Prajapati (NP)	NGESO
Virlyn Chua Miller (VCM)	NGESO	Sally Thatcher (ST)	NGESO
Jamie Taggert (JT)	NGESO	Dovydas Dyson (DD)	NGESO

## Agenda, slides and modifications appendices

<https://www.nationalgrideso.com/industry-information/codes/connection-and-use-system-code-cusc/tcmf-cisg>

## TCMF and CISG

**Please note: These notes are produced as an accompaniment to the slide pack presented which can be found here: <https://www.nationalgrideso.com/document/262706/download>**

### Meeting Opening – Claire Huxley, National Grid ESO

CH opened the meeting providing an overview of the agenda items for discussion, asked for any AOB items and reviewed the Action Item log.

### Code Modifications Update – Paul Mullen, Code Administrator National Grid ESO

PM shared details of the progress of current modifications. See slides for more detail.

#### Discussion themes / Feedback

KH queried the commencement dates of workgroups for CMP392, CMP393 and CMP394 being pushed back. PM clarified that this was due to the availability of all involved, all are placed as “Medium” in the prioritisation stack and dialogue with all the modification proposers has taken place.

### CMP330/374 Verbal update – Neil Dewar, National Grid ESO

NB gave a verbal update on CMP330/374 which shared the last workgroup tool place on 5 July. NGESO thinking is that the legal text would sit better outside of Section 14 in either Section 2 or Section 3 of the CUSC, this is currently with NGESO the legal team for their view. This could lead to a follow-on Modification being required. Update to follow at next workgroup with our legal view the workgroup legal view and NGESO will be presenting an alternative on the implementation date.

## Discussion themes / Feedback

RL questioned whether defects raised as modification proposal refer to certain CUSC sections?

**Action 22-9 – “Whether defects raised as modification proposal refer to certain CUSC sections?”** ND agreed to take this away and look at any long-standing modifications.

GN also explained that the legal text issue had arisen due to contestability assets being in Section 14 and most of the connection process not being in Section 14

PY asked for a reminder on the current stage of CMP330/374, ND clarified currently at the workgroup stage, with two workgroup consultations already taking place its next stages would be the report going to the October CUSC Panel and the Code Administrator consultation taking place in November.

## **CMP390 – Naomi De Silva, National Grid ESO**

ND shared an update on CMP390. See slides for more detail.

## Discussion themes / Feedback

GG questioned the legal certainty in the “National Security and Investment Act 2021”

**Action 22-10 – The legal certainty in the “National Security and Investment Act 2021”** ND agreed to take this away and clarify the legal basis for CMP390.

PJ shared his belief is that the Act allowed BEIS to ask and the NGESO to act but that no requirement on NGESO and any action would be voluntary so being prepared in the CUSC. CH shared a view that this could be addressed in any Ofgem decision. GG expressed concern around applicant clarification on why they would need to sign up.

## **BSUoS Indexation modification in CUSC –Harvey Takhar, National Grid ESO**

HT shared details on BSUoS Indexation modification in CUSC. See slides for more detail.

## Discussion themes / Feedback

HT clarified that the term “End Users” on slide 28 referred to “CUSC users”.

General TCMF feedback summarised below that HT appreciated and agreed to take away.

- RPI until 2030 so explanation on why change if done before this, but maybe ready the CUSC but not go live.
- Would two modifications to be needed?
- As various indexes published that could be used, it was felt a workgroup would be required for this modification to explore alternative solutions.
- Current difference between RPI and CPIH is 3.8% so not insignificant.

## **Demand Credits, Storage – Damian Clough, SSE**

DC shared his thoughts around Demand Credits – Storage. See slides for more detail

## Discussion themes / Feedback

DC clarified that to progress the modification the scope would be kept to storage with various approaches that could be used in terms of a single modification tackling 3 or 4 things or broken down into a topic-by-topic approach and also clarified that it would not be an alternate or replacement for CMP393/394.

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HH envisaged the scope of the modification intention to be limited to Storage and Electrizers

RL commented that some strategic issues affecting the solution and that stripping out those already within Ofgem's current work. PM also commented that the scope was very wide and that CMP271 was still an active modification and a conversation if not already taken place with the CMP271 proposer would be beneficial. NF noted CMP393/394 and CMP395 in terms of Storage discussions.

TCMF stakeholders thanked DC for his informed presentation

## **OTNR update and further industry engagement – Nitin Prajapati, NGESO**

NP provided an update on OTNR and further industry engagement. See slides for more detail

### Discussion themes / Feedback

GG asked what work has been done in consideration of interlinks sharing principles. NP expressed the potential to use these principles offshore.

HH asked about the difference in the upcoming July workshop to the May workshop already completed. NP clarified the 5 numbered points on slide 40 and also the fact that the recommended designs are now available in the Holistic Network Design (HND).

## **Enabling Early Competition Commercial Code Modification Plan – Gareth Stanley, NGESO**

GS gave an update on Enabling Early Competition and the Commercial Code Modification Plan. See slides for more detail

### Discussion themes / Feedback

GG asked about connection charging to non-network solutions. GS shared that at an early stage of non-network solutions could be shaped and developed.

## **AOB**

### **CMP300 – Joseph Henry, National Grid ESO**

JH shared details on CMP300: Cost reflective Response Energy Payment for Generators with low or negative marginal costs. It was approved by Ofgem in June and was implemented 8 July 2022.

Ofgem decided to implement WACM1, WACM1 gives fuelled CfD BMUs a one-off choice to either set the REP they face at zero or, alternatively, set the REP at the prevailing MIP.

This update is to inform all stakeholders with a CfD BMU that they will be sent a letter in the coming days to ask them what their preference is. Stakeholders will then have 28 days to respond to the letter, outlining their preference to the ESO. Where no choice has been made within 28 calendar days, the REP will be set at £0/MWh.

### **TNUoS Taskforce – Harriet Harmon, Ofgem**

HH shared details that TNUoS Taskforce members have now been selected but not yet shared publicly and represent different technologies and business approaches, the first meeting will be held Wednesday 13 July. Any current TNUoS payers can get involved as Task force members will have a responsibility to engage with industry. Also looking at holding another Charging Futures Forum over remainder of year with topics such as TNUoS TF, DSUoS SCR, Access Modifications, BEIS and CEMA and LNP/Nodal pricing and would welcome any views on stakeholder management for over coming year. HH clarified that the although the scope of the TF is currently broad it's possible to amend the scope as non-formally structured, so we have a fair amount of flexibility, although not sure it would be required. HH also confirm that keen for frequent updates at least once month to be published.

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## Action Item Log

### Action items: In progress and completed since last meeting

ID / Month	Agenda Item	Description	Owner	Notes	Target Date	Status
22-3 May 22	AOB	Advise on the training sessions for 'TNUoS Transport & Tariff Model'	Matthew Wootton	In the process of pre-recording training material to publish on the website  Smaller drop-in sessions will be offered soon	June	Open
22-4 May 22	BSUoS and TNUoS Declaration update	Feedback on declarations	Grahame Neale		August	Open
22-9 July 22	CMP330/374 Verbal update	Whether defects raised as modification proposal refer to certain CUSC sections?	Neil Dewar		August	New
22-10 July 22	CMP390	The legal certainty in the "National Security and Investment Act 2021"	Naomi De Silva		August	New
22-5 June 22	BP2 Submission and Consultation update	Confirm impact on costs of reworking costs by expanding 'Role in Europe' as a new activity	Amy Brooks	This has been fed-back to the business through the BP2 consultation process and is currently being reviewed – a response will be included within the stakeholder annex when the final BP2 is submitted to Ofgem at the end of August.	July	Closed
22-6 June 22	BP2 Submission and Consultation update	Confirm which markets are being monitored within 'Market Monitoring' new activity and availability of regular reports	Amy Brooks	1.The markets being monitored by the new team are Balancing Services markets (please see pages 51 and 52 of <a href="#">draft BP2</a> for further information)  2.The availability of regular reports has been fed-back to the business through the BP2 consultation process and is currently being reviewed – a response will be detailed within the stakeholder annex when the	July	Closed

				final BP2 is submitted to Ofgem at the end of August.		
22-7 June 22	BP2 Submission and Consultation update	Confirm page numbers on the BP2 documentation for new activity and clarify what additional work for 'system restoration' and 'market wide half hourly settlement' is covered within the new deliverable	Amy Brooks	Pages 72 and 73 of the <a href="#">draft BP2</a> gives further details with regards to the new deliverables:  <b>D6.1.3 Enable zero carbon operation - System Restoration and D6.1.6 Support Market Wide Half Hourly Settlement</b>	July	Closed
22-8 June 22	BP2 Submission and Consultation update	Confirm whether BP2 consultation responses will be shared with Ofgem in full.	Amy Brooks	We plan to share the BP2 consultation responses with Ofgem. We will be writing to stakeholders who responded to confirm they are comfortable with the publication of their responses.	July	Closed