

# Code Administrator Meeting Summary

**Meeting name: CMP392 Workgroup 1**

**Date:** 9 August 2022

## Contact Details

**Chair:** Paul Mullen

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**Proposer:** Garth Graham

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## Key areas of discussion

- Under [CMP391](#) a definition of “Charges for Physical Assets Required for Connection” which reflects the Limiting Regulation<sup>1</sup> has been added to the CUSC. [CMP392](#) seeks to provide stakeholders with legal certainty and transparency of the Methodology and process that the ESO would apply when carrying out this calculation.
- The CMP392 Original seeks to publish the methodology within CUSC but also publish the calculation and the output of the calculation – not everyone agreed that the output of the calculation needs to be published. The ESO are currently developing “Connection Exclusion – Interim Guidance” to set out how they would apply the definition of “Charges for Physical Assets Required for Connection” in practice ahead of CMP392 being implemented (if approved). The Workgroup agreed that this guidance needs to be reviewed at the next Workgroup to establish commonalities and differences between ESO’s approach and the CMP392 proposed Original. The Workgroup also agreed further discussion ahead of Workgroup Consultation is needed on what is and what isn’t a pre-existing asset, what the interconnected test is and the form of publication.

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<sup>1</sup> *The Limiting Regulation provides that, in calculating annual average transmission charges paid by producers, “transmission charges shall exclude...charges paid by producers for physical assets required for connection to the system or the upgrade of the connection”. This is referred to as the ‘Connection Exclusion’. Note that, following the end of the post-Brexit Transition Period, the relevant parts of the Limiting Regulation continue to apply in Great Britain as retained EU law, pursuant to s.3 of the European Union (Withdrawal) Act 2018 (subject to non-material amendments)*

- Although this is a change to the charging section of the CUSC (and therefore invariably would be a 1 April Implementation Date), the Proposer was clear that CMP392 itself is just adding the calculation that ESO carry out to CUSC and not triggering a tariff change – therefore implementation 10 working days after Authority decision seems appropriate. CUSC 14.14.5(vii) set out the process to be followed if an adjustment to TNUoS Charges is required to remain compliant with the Limiting Regulation.
- Workgroup agreed the Terms of Reference and timeline although were happy to have longer meetings if this could help accelerate the timetable (***Post Meeting Note: September's meeting will be postponed to 6 October 2022 if CMP395 and/or CMP396 are granted Urgency and the Chair will issue a revised proposed timetable***). They also agreed there were no cross code impacts.

### Next Steps

- Next meeting 2022 will focus on reviewing “Connection Exclusion – Interim Guidance” and comparing this with the CMP392 Original. Workgroup will also further discuss what is an isn't a pre-existing asset, what the interconnected test is and the form of publication.